

The NATIONAL UNDERWRITER

Life Insurance Edition



Architect's drawing of new headquarters building of The National Association of Life Underwriters now under construction on C Street between 22nd and 23rd Streets.

Greetings to The National Association of Life Underwriters. With our best wishes for a most stimulating convention go our congratulations on the ground breaking for your new building. It stands as a symbol of the contribution made by the life underwriter not only to the security of individuals but to the nation's economy as a whole.

EARL H. WELTZ & COMPANY

Specialists in Extra Risk and Surplus Life Insurance Underwriting

Philadelphia National Bank Building

Philadelphia 7, Pa. • Telephone: RIttenhouse 6-7141

From September 23rd to 28th, Mr. Weltz will have headquarters at the Statler Hotel

2

2nd CONVENTION DAILY

Friday, September 28, 1956

Welcome N.A.L.U.!

to The Nation's Capital

To you, we of the Peoples Life, Washington, extend a hearty welcome to the Capital City of our Great Country, and congratulate the N.A.L.U. for its many accomplishments in helping to build a bigger and better Life Insurance Industry.

We salute this 67th Annual Meeting because it represents another fine contribution to the Life Insurance Industry, made possible through the cooperative spirit and untiring efforts of the underwriters composing the membership of your organization.

The ground-breaking, this week, for the erection of your new National Headquarters Building in the Nation's Capital is a great moment in the Association's history. We are proud to be neighbors with you and rejoice in your accomplishment.

Sev Hansen
President

Incorporated in 1903, the Peoples Life is in its second half century of service to its policy-owners.

To better serve the people in these days of growth and expansion, a new Home Office will be built in the block bound by New Hampshire Avenue, F, G, and 25th Streets, N.W. Ground-breaking for Peoples new Home Office will be early in 1957.

More than —

\$102,055,853* — Assets

\$546,145,757* — Life Insurance in Force

*December 31, 1955

Over 1400 men and women in our Home Office and 61 field offices serve the people in the District of Columbia, Virginia, West Virginia, Maryland, Delaware and Ohio.

Peoples LIFE INSURANCE CO.
WASHINGTON, D. C.



You are always welcome at the Peoples Life Home Office in the Heart of the Nation's Capital, Corner H and 14th Streets, N. W.



Quality sales require a quality product!

Jefferson Standard Agents Have An Outstanding Quality Record

137 Agents of Jefferson Standard have earned the National Quality Award for 1956. This is a tribute to both Jefferson Standard and its thousands of employees.

This outstanding achievement indicates the high level salesmanship used by Jefferson Standard men. In addition, it indicates real policyholder satisfaction.

Jefferson Standard Policies Offer Many Sales Advantages

- Jefferson Standard has always paid at least 4%* interest. This high earning rate gives policyholders a much greater return per dollar.
- A phenomenal growth has characterized Jefferson Standard since its founding in 1907. This year Jefferson Standard passed the \$1½ billion life insurance in force mark. Policyholders prefer a sound, aggressive, growing company.



*Mr. 4% represents Jefferson Standard. Jefferson Standard, now guaranteeing 2½% on policies currently issued, has never paid less than 4% on policy proceeds left on deposit to earn income.

Jefferson Standard Agents Have Many Sales Advantages

- Training Program . . . for beginners and those specializing in advanced underwriting.
- Modern Visual Aids . . . to help interpret and sell—visually.
- Planned Protection Service Manual . . . for presenting and selling planned programs.
- Consistent Advertising . . . home office support with mail promotion, newspaper advertising, reminders, cards, special event campaigns, plus many others.

Jefferson Standard

LIFE INSURANCE COMPANY Home Office: Greensboro, N. C.

Over \$1½ Billion Life Insurance In Force

50*

*50 productive years of
providing insurance buyers
"More Peace of Mind Per
Premium Dollar"



Occidental
Life
INSURANCE COMPANY OF CALIFORNIA
W. B. STANNARD, Vice President

Today Is Dedication Day for NALU

Group Limits Only Breed Self-Insured Plans; McDonald

They Also Arouse Ire of Employers, Metropolitan V-P Says at Agents Forum

Statutory limits on the amount of group that can be written on a single life will only give added impetus to currently flourishing non-insured plans, generate other such plans, and do the agents no good, either in respect to sales or public relations, said Vice-president E. C. McDonald of Metropolitan Life in his formal presentation in the panel on group insurance during the agents' forum at the NALU annual meeting.

"I recognize the need for sound ground rules designed to safeguard the policyholder and protect solvency," he said. "But I happen to think it's fortunate that these laws do not say how much endowment insurance I may have—or how much straight life—or how much term.

"Such legislation will slow up the development of group insurance, and will give a decided impetus to those (saving banks, over-the-counter, etc.) who would provide benefits, both group and individual, directly and without the use of any insurance agents.

"I shouldn't be surprised if these proceedings here today are viewed with a certain satisfaction by the advocates of non-insured plans. If we fall out among ourselves, they will gain. None of us does.

"If any industry has a 'good name' it certainly is the life insurance business. I am sure that in the minds of the general public we are regarded more favorably not only because of our soundness but

(CONTINUED ON PAGE 40)



A. JACK NUSSBAUM

Business Insurance is New NALU President's Specialty

A. Jack Nussbaum, the new president of National Assn. of Life Underwriters is widely known as a raconteur with a full complement of dialects but he has also built an enviable reputation as a speaker on simplified business insurance. He is a life and qualifying member of the Million Dollar Round Table and has ranked among agents for 25 consecutive years. He has been for 21 years a member of the company's Spotlight Club, which means \$30,000 or more of paid-for business every month.

The Scottish burr that Mr. Nussbaum uses in many of his anecdotes comes naturally to him. He was born in Glasgow and went

to work there at the age of 12 for the equivalent of 60 cents a week. He got into the life insurance business some 27 years ago in Milwaukee—with his present company, Massachusetts Mutual. Between the time he emigrated to the United States as a young man and entering the life insurance business, Mr. Nussbaum engaged in the retail tailoring business in Chicago and Milwaukee and served as a mess sergeant for company A, 603rd engineers in France during the first world war.

Recounting how he happened to go into the life insurance business, Mr. Nussbaum told of buying into

(CONTINUED ON PAGE 42)

Decks Cleared For Big Event of Entire Convention

Charles E. Cleeton, Head of Building Committee, Is Master of Ceremonies

By ROBERT B. MITCHELL

The final morning of the National Assn. of Life Underwriters convention at Washington this week was left clear for the long-anticipated ground-breaking ceremonies at the site of the projected headquarters building at 22nd and C Streets N. W.

For the principals and spectators there was only one cloud on the horizon—but it was a very real and black one: Would the heavy rain of Thursday continue and make a ground-breaking ceremony impossible? The official weather forecast late Thursday still left the hope that the ceremonies could be held at the site as scheduled.

The government has taken title to the land next to the original NALU building site and intends to give it to NALU in exchange for the smaller site purchased by NALU. This will give NALU a bigger plot of ground and provide a front view instead of an end view of the building from the new \$50 million State Department building across "C" street.

Because the government has not yet transferred to NALU the title to the land adjacent to the original NALU site, the spot selected for the actual breaking of ground is within the property lines of the original site but close to the adjacent land at a point where the new building would extend over into the land presently owned by NALU. Thus, the spot picked for ground-breaking lies within the actual limits to be occupied by the new building.

Slated as master of ceremonies is Charles E. Cleeton, Occidental of California, Los Angeles, chairman of the building committee and a past president of NALU. Main speaker for the event is David B.

(CONTINUED ON PAGE 43)

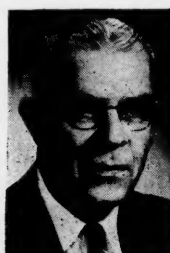
NEW TRUSTEES ELECTED AT NALU WASHINGTON, D. C. CONVENTION



F. E. Simmons Jr.



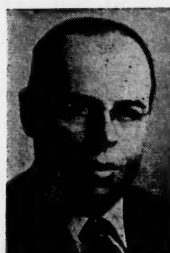
Wm. S. Hendley Jr.



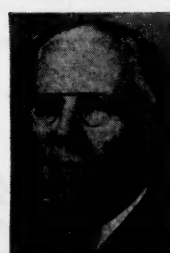
Howard V. Krick



Wm. E. North



Harry N. Phillips



S. B. Starrett Jr.



Jack White

'ECHOES OF MDRT MEETING'**Irvine Gives Highlights of Business Life Insurance Room-Hopping Sessions**

By JAMES B. IRVINE JR.

The owners of the recently dissolved Ringling Brothers' "Greatest Show On Earth" could certainly have picked up a few pointers on show-ring tactics, and might even still be in business, if only they could have observed the "new look" in room-hopping this year on board the Swedish American Line's flagship, the M/S Kungsholm.

Traditionally, room-hopping has been that part of the Million Dollar Round Table program which has brought our members a first-hand personal demonstration of the techniques, work methods, and

sales personalities of the leaders in our business. This year, on board the luxury-liner Kungsholm, room-hopping acquired a salty sea-going flavor and became known as "cabin-hopping". On Thursday and Saturday evenings of that memorable cruise, cabin-hopping might well be described as a veritable "sales procedure smorgasbord," set up as it was to extend over the entire verandah deck in all of its plush accommodations.

Imagine, if you will, our distinguished cabin hosts strategically placed all around the perimeter of that great ship . . . from the forward smoking room, down

through those luxurious glass-walled verandahs on the port and starboard sides, and back to the aft smoking room. Right in the center of the deck, in that beautiful and spacious main lounge, was set up a real honest-to-goodness Swedish smorgasbord with enough gastronomic delicacies to tempt the most laggard appetite. The routine was this . . . to our "sales procedure smorgasbord" you carried a notebook and satisfied your appetite for sales ideas. Afterwards, at the Swedish smorgasbord you carried a plate and fed the inner man. Then you ate a large package of Tums, took a stroll on deck and hit the sack.

Reviews Sales Talks

Our "sales procedure smorgasbord" served up 11 different subjects and hosts on Thursday evening and 10 on Saturday—21 subjects in all and 22 hosts. One topic was so deep and profound, it took two hosts to dish it out! That had to do with planning the agent's estate in both community property and non-community property states.

On Thursday, the topics for discussion were limited to business insurance and miscellaneous subjects. On Saturday, the topics dealt with employee benefit plans and estate planning. So much for the setting of cabin-hopping . . . now for the real meat:

At least one prominent past chairman of the Million Dollar Round Table has said that the surest route to qualifying for the round table is to sell business life insurance. To put it another way, it has been estimated that an increasingly large number of members qualify each year by means of business insurance cases. It seemed quite fitting, therefore, that the entire day Thursday was devoted to the theme, "Business Insurance Opportunities Created by Present Day Developments." Accordingly, six of our cabin-hopping hosts that evening demonstrated various facets of this subject in their own unique styles.

With many rooms to cover with you, of course I shall confine this resume of cabin-hopping to the most potent ideas developed on this subject of business life insurance which is so basic to Round Table qualification and to the industry.

Summarized in its simplest terms, these experts say that they are selling insurance today in increasingly large volume, mainly to corporations, and for the following principal purposes:

1. To provide a fund with which to indemnify the corporation with tax-free cash for the loss suffered

During the Million Dollar Round Table hour at the NALU convention, James B. Irvine Jr., general agent of National Life of Vermont at Chattanooga, who was program vice-chairman in charge of "room-hopping" sessions at the recent MDRT annual meeting, touched on seven such sessions that dealt with business insurance and covered in some detail the talk given at the MDRT meeting by another Chattanooga, Julian D. Walter, district agent of Northwestern Mutual Life.

upon the death of key men—just plain old fashioned indemnification.

2. To provide a fund with which to purchase all or part of the stock of the key man upon his death—either under the terms of a binding purchase and sale agreement or by negotiation with the executor of the estate. This includes the "stock perpetuation" idea under section 303 where your approach is simply: "Mr. Prospect, how would you like to have your corporation pay your estate taxes?"

3. To provide a fund with which to pay tax-favored deferred compensation to the key man on the occasion of his disability or retirement, and/or to his family at death, a concept which is growing by leaps and bounds.

4. To provide a fund with which to increase corporate surplus under favorable conditions, and

5. To provide a preferred type of corporate asset especially attractive for credit purposes.

Sell Packages

Now some of these experts sell a package designed to accomplish all five of the purposes just recited, in a manner similar to program selling. Others sell a package designed to accomplish only one or several of these purposes. Some place greater emphasis on one particular purpose over another. All use written presentations. As to the type of policy, most sell some form of ordinary life or life paid-up at 65 in the majority of their cases.

What sales techniques do these leaders use? Time permits a good hard look at only one, but I shall give you a quickie from several of the other hosts, so that you can take home a variety of sales ammunition on this subject.

All set? Let's sail! Perhaps the most detailed and comprehensive outline of procedure was given by Julian D. Walter, CLU, district agent for the Northwestern Mutual at Chattanooga. His subject was "Procedure and Sales Opportunities in Corporation Life Insurance". Here are three quick reasons why his procedure merits our attention:

1. His production during this Agent's club year placed him among the top 10 in gross volume in the Northwestern.

2. His company thinks so highly of his business insurance proposal that it is made available to the en-

(CONTINUED ON PAGE 33)

**WE SALUTE**

the members of the National Association of Life Underwriters, on the occasion of their Sixty-seventh Annual Convention, and commend them for their continuing and effective efforts in advancing the standard and scope of life insurance sales and service.

**Equitable**

LIFE INSURANCE COMPANY OF IOWA

FOUNDED IN 1867 IN DES MOINES

BROAD INSURANCE COVERAGE

Nonparticipating Insurance

Participating Insurance

Accident & Sickness Insurance

—including Noncan, Commercial,
Deductible Hospital, and
Major Medical

Income Disability

Juvenile Insurance

Special Low Cost Plans

Flexible Family Income Plans

Retirement Plans

Mortgage Redemption

Impaired-Risk Service

—Life and Accident & Sickness

Wide Age Range

Salary Savings Systems

Supplemental Term Riders

Pension Plans

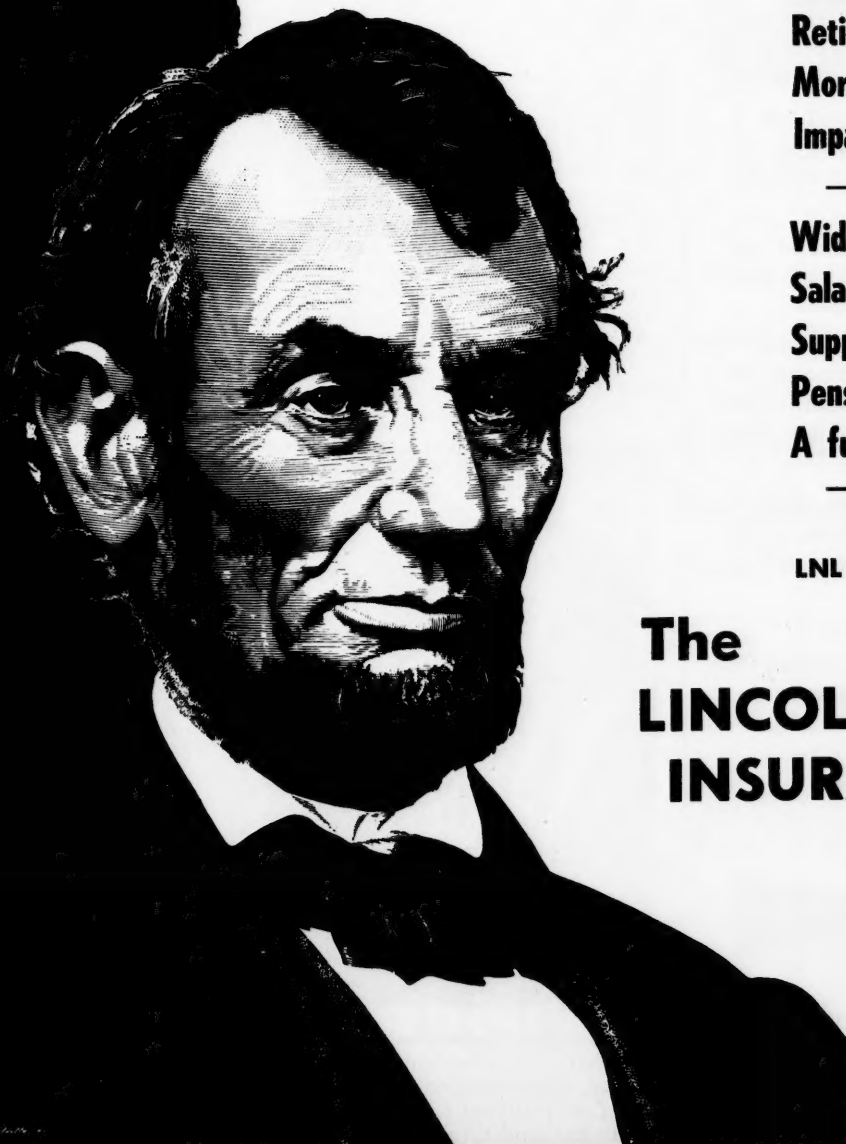
A full line of Group Coverage

—Including Comprehensive Major
Medical

LNL Is Geared To Help Its Field Men

The LINCOLN NATIONAL LIFE INSURANCE COMPANY

Fort Wayne, Indiana



Russell Sees Unlimited Potential in Sales for Women Willing to Pay Price of Success

Ruth Russell, Indianapolis Life, North Vernon, Ind., speaking in the WQMDRT "sellarama" Sunday afternoon, said the potential of women in the life insurance business is unlimited, provided they are willing to pay the price required of any successful person. That is belief in the product; knowledge of the product; the instinct to recognize possible needs; self-discipline; the art of closing, and lots of work. Her remarks follow.



Ruth Russell

The potential of women in the

life insurance business is unlimited provided they are willing to pay the price that is required of any successful person, man or woman. There are certain things that must be done to attain the status of a successful life insurance agent. Listed, not necessarily in accordance to their importance, they are: belief in the product, knowledge of the product, the instinct to recognize possible needs, self-discipline and the art of closing. When an agent has all of these there is one thing left to do before success becomes reality—WORK, WORK, WORK.

If I may be allowed the privilege of citing a personal experience I want to point out how easily a sale might slip away or how easily one might be made if you are sensitive to sales ideas. In May of last year

Four members of District of Columbia association's host committee are shown on the terrace outside their hospitality suite in the Statler hotel. They are (from left) William B. Rumble, Metropolitan Life; C. Carney Smith, Mutual Benefit Life, general chairman of the committee; Vernon R. Zimmerman, Acacia; and H. Cochran Fisher, Aetna Life, former NALU trustee.



Four members of District of Columbia association's host committee are shown on the terrace outside their hospitality suite in the Statler hotel. They are (from left) William B. Rumble, Metropolitan Life; C. Carney Smith, Mutual Benefit Life, general chairman of the committee; Vernon R. Zimmerman, Acacia; and H. Cochran Fisher, Aetna Life, former NALU trustee.

I sold a man \$50,000 business insurance. In August I called on the same man to discuss insurance on his two teenage boys. He wasn't interested but asked me if I had any bargains today that would be to his advantage. I told him there were no bargains in the life insurance business. I hadn't any more than driven a block from his home until it hit me: his age change would come next month.

The following morning I called at his place of business and reminded him of his remark. I told him I had been wrong because there was a bargain for him if he took advantage of it before the month was over. I wrote an additional \$75,000 on his life. How close I came to missing that sale because I was thinking about insurance on his sons and he was thinking about more for himself.

Let us look briefly at these requirements. Have you ever talked with a fellow salesman and had him say? "We have a good racket in the insurance business." Ah, the slow burn that a good insurance person does when such a remark is made! How long does such a person stay in the business—a few

weeks, a few months maybe, but rarely as long as one year. Sham, my friends, shows quicker than green hair. Life insurance is the backbone of our American economy. Much pride can be taken in being a part of so great a business.

Know Your Product

A certain amount of success may be attained without too much knowledge of the business but if one wants to do a good job over many years it is necessary to know your product well. A woman with ready answers will get interviews she would otherwise fail to get. Having knowledge of your product does a lot to give one poise and assurance which are very necessary.

Acquiring knowledge may appear to you to be a lonely road to tread, since we do so much of our work and planning on our own, but actually it isn't. To be sure, you will do some studying alone but some of the most interesting hours one can spend will be in attending Southern Methodist university, Purdue, LUTC and CLU classes. With these instruments of education within reach of all of us, gaining knowledge of the insurance

(CONTINUED ON PAGE 42)

YOUR HOME AWAY FROM HOME

We suggest that you think of American United Life as your "home away from home"—in terms of a second company for your surplus business, or for business your own company does not accept.

SUBSTANDARD BUSINESS—American United Life is a specialist in writing rated business, as high as 5 times normal mortality.

SPECIAL POLICIES—American United Life has a complete portfolio of contracts: low net cost and low net payment—rateable; special option investment type contracts; major medical and non-can disability; and many others.

GROUP—American United Life can offer you practical assistance in the group field—assistance built on a flexible attitude in underwriting, selling and merchandising group coverage of every kind.



You'll find American United Life always willing to apply to your problems its wealth of experience and know-how.

AMERICAN UNITED LIFE
INSURANCE COMPANY
INDIANAPOLIS, INDIANA

ALL ORDINARY LIFE FORMS ★ FLEXIBLE OPTIONS ★ LIFE INCOME ★ LOW NET COST SPECIAL ★ UNIQUE JUVENILE ★ GROUP INSURANCE ★ GROUP RETIREMENT ★ PENSION TRUSTS ★ MAJOR MEDICAL ★ NON-CAN DISABILITY ★ SPECIALISTS IN THE FIELDS OF SUBSTANDARD UNDERWRITING AND REINSURANCE.



Chatting during a break in the NALU meeting at Washington: Brice McEuen, vice-president and agency director of Lamar Life; Ward Phelps, superintendent of agencies of National Life of Vermont; Clifford Orr, National Life of Vermont, Downingtown, Pa., a past president of NALU, and Edward L. Reiley, Mutual Benefit Life, Philadelphia.

Institute of Life Insurance's Work Described for General Agents, Managers

Two life company presidents and six members of the staff of Institute of Life Insurance gave an intimate description of the role of the institute at the meeting of General Agents' & Managers' Conference during the annual convention of NALU.

E. M. McConney

E. M. McConney, president of Bankers Life of Iowa and chairman of the institute,



Holgar J. Johnson



Frazar B. Wilde

praised the institute for having done "yeoman service in helping to build better public relations for life insurance."

"It enjoys an enviable reputation both as a central source of information and as the source of reliable materials on life insurance beamed to the channels of public communication and centers of influence. It enjoys prestige throughout our business both for the leadership it has given the public relations effort and the contribution it has made to the thinking in the highest councils of our business."

Frazar B. Wilde, president of Connecticut General Life, the first chairman of the institute, told the

conference the institute was conceived by a small group of dedicated executives who saw the need for a central source of information on life insurance. Mr. Wilde gave in some detail the background of conditions in the 1930s that led to the formation of the institute and referred to the role played by NALU in its resolution urging that life insurance be promoted on an institutional basis.

The group of speakers from the institute was headed by its president, Holgar J. Johnson.

Albert I. Hermalin, assistant director of statistics and research, said the institute's new survey of life insurance ownership suggests that there is a general lack of awareness of some of the more specialized uses of life insurance, and that at the same time there is "a certain receptiveness to utilization

of life insurance to these ends."

Dudley B. Martin, director of press relations, described how the institute distributes news stories throughout the year, and in addition, suggests to editors life insurance angles.

Harlan B. Miller, director of the educational division, reported that about a million high school youngsters received educational materials about life insurance from the institute during the last school year.

Robert C. Singer, assistant director of promotion and advertising, showed how the institute's national advertising campaign is contributing to the acceptance of life insurance as an institution.

Donald F. Barnes, director of promotion and advertising, acting as moderator, pointed out that the agency head has a public relations function of its own, and that the agent, who is the main-line contact between the business and the public, also has a "chore" in this area.



Two from Sun Life of Canada: Harry Phillips, Detroit, NALU trustee, and Trevor Ross, superintendent of agencies.

From North American, Chicago

Ronald D. Rogers, director of agencies, is attending the convention as a representative of the home office of North American Life of Chicago.

This We Believe

- THE NATIONAL QUALITY AWARD PROMOTES BETTER SELLING. A bonus of \$1.50 a thousand is paid each year to qualifiers of our field force.
- THE LIFE UNDERWRITERS TRAINING COURSE IS TOPS. We pay one-half the cost for our field men who enroll for the course.
- C. L. U. TRAINING SHOULD BE ACTIVELY PROMOTED. We pay a liberal bonus for each examination passed plus an extra bonus on the final examination—total \$550.00. For more Information,

Write: G. FRANK CLEMENT

Vice President In Charge of Agencies

65,765 Membership a New NALU Record

National Assn. of Life Underwriters has a membership of 65,765 as of 10 A.M. Tuesday when the figure was announced at the national council meeting by John Donahue, Penn Mutual, Baltimore, NALU trustee and membership chairman.

Continuance of the present trend would put the total close to 70,000 by Dec. 31.

Prize winning associations and their percentage increases in membership in the past year are Detroit 46; Chattanooga 69; Winston-Salem 137; Pine Bluff, Ark., 283; Alaska 74; Washington State 27; Arizona 39; Nevada 26; New Mexico 30; Kansas 20; Michigan 25; Alabama 22; Arkansas 29; Louisiana 28; North Carolina 20; Maryland 13; New Jersey 18; and Vermont 15.

Shenandoah Life Insurance Company

Home Office • Roanoke, Virginia

Agents Committee Calls for Study of Members' Opinions

NALU should set up a system to learn what its rank and file members are thinking about, according to the agents committee report received by the National Council.

A nationwide liaison with coun-

terparts of the agents committee should provide valuable information to NALU. Mutual understanding would be created by frequent contact between agents in their own associations. The committee, headed by William H. Pryor, Connecticut Mutual, Wauwatosa, Wis., noted that companies and associations in every industry and profession are making greater efforts to ascertain rank and file opinions.

The committee asked that its re-

sponsibility in this area be put into operation and that manpower and funds be provided for aid in carrying on the work by the headquarters staff, if necessary.

The development of the agents' forum as a feature of NALU conventions has been gratifying, the committee said.

The committee listed its functions as reviewing all reports of pertinent committees in the light of their interest to agents; as interpreting the desires of the field

forces and bringing the resulting conclusions to the proper body for consideration and execution; and as developing agent representation and participation.

The national council deleted from the report a study of costs and potential benefits that might result from regional committee meetings apart from regular NALU meetings.

The subcommittee of the agents committee also submitted a report, which was received. The subcommittee had the responsibility of setting up a two-way communications system between the agents committee and state and city counterparts. This communication has been helpful in formulating impressions of agents' opinions and increasing the awareness of the importance of full support by agents in association activities, the subcommittee report said.

The report recommended that the subcommittee be continued in the next administration and that it attempt to work out better liaison between the national and local committees with a view to helping local and state associations set up such committees.

Cite GAMC for Role in Fund Campaigns

General Agents & Managers Conference of NALU was honored Wednesday night for the role it has played in developing well informed volunteer solicitors for local community chest campaigns.

A citation was presented to GAMC on behalf of the United Community Funds & Councils of America by Vincent B. Coffin, senior vice-president of Connecticut Mutual and national secretary of the fund. It was accepted by Judd C. Benson, Union Central, Cincinnati, chairman of GAMC which is sponsoring sessions at the NALU convention.

Mr. Coffin said people gave more willingly wherever the volunteer solicitor training program of GAMC was presented.

GAMC developed a blueprint, followed on a local level, whereby agents taught effective professional approach, presentation and closing techniques to community fund volunteer workers. In most instances, the program entailed group discussion, drill periods and actual field demonstrations.

Two from Manufacturers Life

The home office of Manufacturers Life is represented at the convention by T. H. Neville, agency superintendent, and N. T. Sheppard, assistant agency superintendent.

Two from Atlantic Life

Warren M. Pace, assistant vice-president, and George E. Lescure Jr., supervisor, are representing Atlantic Life's home office at the convention.

Page 20

Editorial THE EASTERN UNDERWRITER Human Interest

July 27, 1956

LIFE POLICY TYPES CHANGE WITH THE TIMES

That demand for certain types of life insurance policies changes with the times is shown by an analysis of new Ordinary life insurance purchased during 1955 made by Life Insurance Agency Management Association of Hartford. It might be more correctly said that changing needs of the public is met by the insurance business with the policy that best fits their needs of the time.

The results of this latest analysis show that Family Income policies, a comparatively new form in the approximately 150 years of company life insurance in this country, has become the most popular form of Ordinary life insurance, now accounting for nearly one-third of all adult purchases of such insurance.

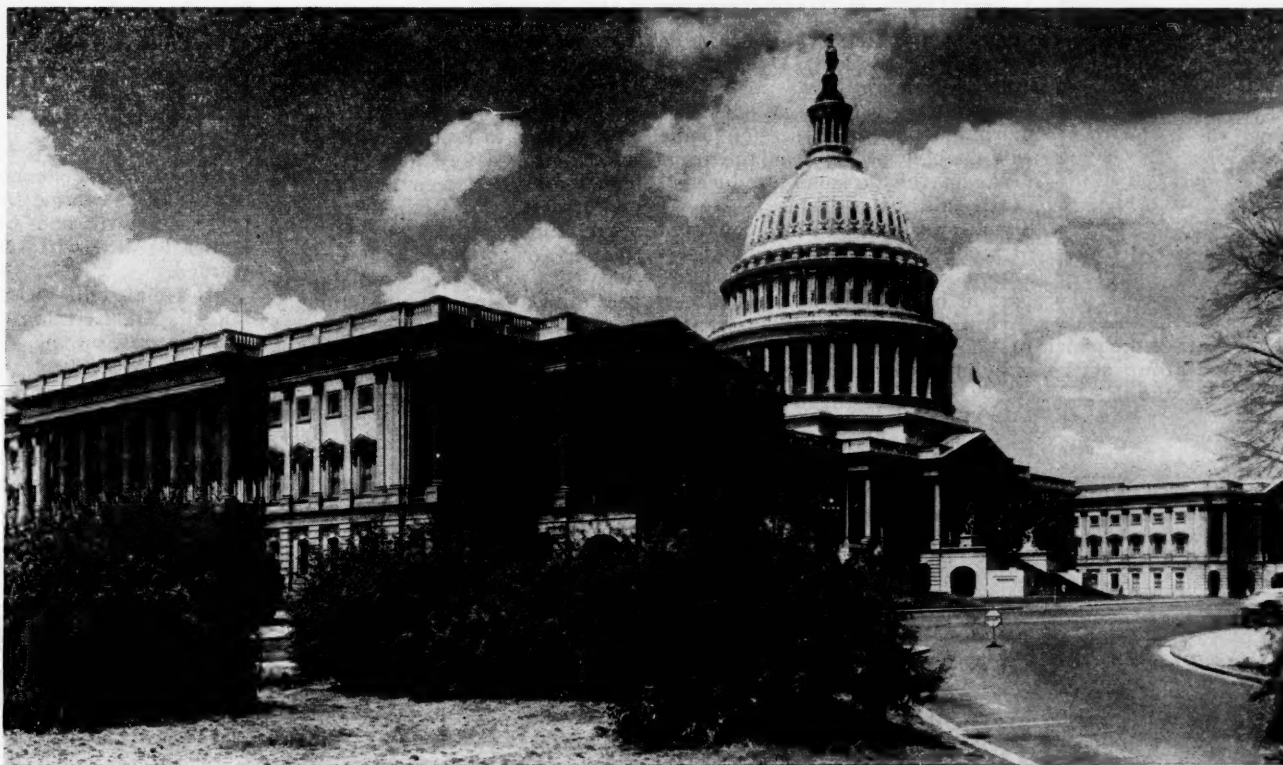
The original concept of a combination of Ordinary life and decreasing Term insurance in one contract was devised to meet a demonstrated need, a form of contract that had never existed before yet today accounts for one-third of new business.

It was in 1930—twenty-six years before the above editorial was written—that Continental American set up one of the great milestones in life insurance history by originating the Family Income Policy. Wide acceptance of this type of policy—"devised to meet a demonstrated need"—has made it the most popular form of ordinary life insurance. Currently, it accounts for nearly one-third of all adult purchases of such insurance. Today, and in the future, Continental American will continue to design policies to better serve the insurance-buying public in the light of changing economic conditions.



CONTINENTAL AMERICAN LIFE INSURANCE COMPANY

WILMINGTON • DELAWARE



Greetings to the N.A.L.U.

From the LIFE INSURANCE GENERAL AGENTS' AND
MANAGERS' ASSOCIATION OF WASHINGTON, D. C.

QUENTIN C. AANENSON Manager
Mutual of New York

ADKINS & AINLEY, INC. General Agents
Philadelphia Life Insurance Company

J. HICKS BALDWIN, C.L.U. General Agent
New England Life Ins. Company

JOSEPH A. BARBEAU Manager—D.C. Branch
Acacia Mutual Life Ins. Company

THOMAS F. BARRETT, JR. General Agent
Connecticut Mutual Life Insurance Company

ADDISON G. BILLINGSLEY } Managers
WILLIAM B. RUMPLE }
W. STANLEY TEAGLE }
Metropolitan Life Insurance Company

CLAUDE A. COOK Agency Manager
Equitable Life Assurance Society of U.S.

JACK F. CROFOOT Branch Manager
Manufacturers Life Insurance Co. (of Canada)

WAYNE E. DORMAN, C.L.U. General Agent
Penn Mutual Life Insurance Company

RAYMOND A. DuFOUR, C.L.U. General Agent
Pacific Mutual Life Insurance Company

JOSEPH F. EULER General Agent
Aetna Life Ins. Company

HOWARD C. FULWILER General Agent
The Lincoln National Life

CLARK GEARHART, C.L.U. Inspector of Agencies
New York Life

PAUL E. GIBSON Branch Manager
Sun Life Assurance Company of Canada

RAYMOND H. GODINE General Agent
Continental American Life Insurance Company

WILLIAM J. HAGGERTY Manager
Occidental Life Insurance Company of California

PAUL R. HARRISON General Agent
Northwestern Mutual Life

GEORGE A. HATZES AGENCY General Agency
Fidelity Mutual Life Insurance Company

HERMON N. HERRICK Manager
The Travelers Insurance Company

FRED E. HILL Manager
American National Insurance Company

VERNON W. HOLLEMAN Manager
Home Life Insurance Company

J. HENRY HOOPER General Agent
Provident Mutual Life Ins. Company

WALTER C. HUGHES, JR. Manager
Acacia Mutual Life Ins. Co.—Silver Spring Branch

DALE A. JACKSON Manager
The Prudential Insurance Co. of America

LESLIE H. JACKSON General Agent
National Life of Vermont

JOHNSON & ADAMS, INC. General Agents
Continental Assurance Company

CHESTER R. JONES, C.L.U. General Agent
Massachusetts Mutual Life Insurance Company

JOSEPH E. JONES General Agent
Mutual & United of Omaha

M. R. LAWSON Manager
Union Central Life Insurance Company

JOHN D. MARSH, C.L.U. }
J. D. Marsh & Associates

JAMES W. MERRITT Manager
The Prudential Ins. Company

CHARLES W. O'DONNELL, C.L.U. Manager
The Guardian Life Insurance Company of America

JOHN J. OUTCALT AND ASSOCIATES Manager
Phoenix Mutual Life Ins. Company

J. MITCHELL OWENS, C.L.U. General Agent
John Hancock Mutual Life Ins. Company

RAYMOND RAUCH General Agent
Government Personnel Mutual Life Ins. Co.

ALLAN RUTLEDGE, JR. General Agent
Minnesota Mutual Life Insurance Company

GEORGE P. SAMPSON General Agent
The Manhattan Life Insurance Company

FRANCIS M. SHARKEY Manager
State Mutual Life Assurance Company

JOE SILVERMAN, C.L.U. Reg. Mgr.
Franklin Life

ALFRED A. SLATER Regional Director
Philadelphia Life Insurance Company

C. CARNEY SMITH, C.L.U. General Agent
Mutual Benefit Life Ins. Company

F. McKEY SMITH Manager
Jefferson Standard Life Insurance Company

WILLIAM A. SPIKER, C.L.U. General Manager
New York Life Insurance Company

CHARLES F. SUTER, C.L.U. General Agent
Massachusetts Indemnity & Life Insurance Company

WILLIAM R. TOOKER, C.L.U. General Agent
Berkshire Life Insurance Company

VERNON R. ZIMMERMAN Manager
Acacia—Northern Virginia



Waiting for the start of the panel discussion on jumbo group at the agents forum during the NALU meeting: Eugene Thore, (left) general counsel of Life Insurance Assn. of America, who acted as moderator, and David B. Fluegelman, general agent of Connecticut Mutual Life at New York, who presented the case against jumbo group.

Leitman Offers Some Examples of Creative Approach to Life Sales

A Million Dollar Round Table qualifier for the last 13 years, Rudolph Leitman, New York Life, Detroit, gave NALU's Wednesday morning convention session some tips on how he stays in the front ranks of the personal producers.

His talk, titled "This Is How I Think and What I Do," consisted of a collection of ideas and observations which have played a large part in his successful sales career.

How long, Mr. Leitman wanted to know, must agents' wives remain unhappy because their husbands insist on making that "one last call" of the day at 5 p.m. What promises to be nothing more than a short interview turns out to be a long one—and the agent-husband is late for supper again.

The agent should set aside one or two nights a week when he does not work. Instead, this time should

be reserved for the wife in order to eliminate some of her unhappiness over the fact that he has been out working every night.

In selling to a successful executive holding a key job, Mr. Leitman likes to be seen making several trips to and from the client's office. Finally, the agent stops at the desk of a young junior executive, who looks like a good prospect, and apologizes for failing to drop by for a chat earlier. The young man refuses to hear an apology, cordially invites him to sit down—and an interview is underway.

Still speaking of apologies, Mr. Leitman does just that when he telephones old policyholders, whom he has not seen in a long time, to express regrets for "neglecting" them. Such an approach leads to invitations for visits with these clients, who represent good sources of repeat business.

For veteran agents with a large list of old policyholders who are not being seen, serviced or sold, Mr. Leitman had this suggestion: Allow a new, young agent to call on some or all of these clients and work out a financial arrangement on the cases sold, as is done in some other fields. Here is an opportunity to put the business on a professional basis and give service, he said.

If a prospect is rude, breaks appointments or keeps the agent waiting a long time in the outer office, it is just as well to leave him for a competitor, Mr. Leitman said. It should be made clear to these people that the agent is a professional person and should be treated as such.

The prospect buys insurance in a partnership case to provide funds for buying out his partner's interest when the other man dies, because "it's always the other fellow who will die first," Mr. Leitman said.

Agents with many small policyholders should be patient, he said, because a percentage of these people will become successful. Grow with them.

Sometimes prospects for large sales are difficult to reach because of the many subordinates surrounding them. Mr. Leitman suggested asking a son or son-in-law to provide the entree because the younger man usually can get to the busy executive.

Beware of the client who is looking for all he can get for his money because he will be a tough policyholder to deal with, Mr. Leitman warned.

"If a man tells me all I want to know" Mr. Leitman said, "he is usually sold on me. I make 90% of these sales."

In families where there is a handicapped person who could be named beneficiary of a policy, the agent's service is not only helpful but is welcomed, Mr. Leitman said.

If the average prospect uses inflation as an objection, he has not been sold. The agent must start to sell him all over again, Mr. Leitman said.

Earl Weltz Gives Party at NALU Convention

Earl H. Weltz was host at a cocktail party in the Statler hotel during the NALU convention. Mr. Weltz, who operates the Earl H. Weltz & Co. of Philadelphia, inserted a half-page advertisement in the *Washington Post & Times Herald* saluting NALU's convention. Included in the advertisement was an architect's drawing of the new NALU headquarters building to be constructed in Washington.

Leonard Smith Is Secretary of GAMC

Leonard T. Smith, Prudential, Cranston, R. I., was elected secretary of General Agents & Managers Assn. at the annual meeting Tuesday during the NALU meeting at Washington. His name was inadvertently omitted from the list of new GAMC officers and directors that appeared in the first convention daily of The National Underwriter. Mr. Smith has been a member of the GAMC board of directors.

Pictured at a Union Central hospitality affair are these company representatives at the convention (from left): Robert L. Hoffman, manager at Baltimore; Wendell Hanselman, vice-president and superintendent of agencies; Judd C. Benson, manager at Cincinnati, and chairman of GAMC; and Oren D. Pritchard, Indianapolis, NALU trustee



WE SALUTE

the Men with the Guarantee Who Are
1956 NATIONAL QUALITY AWARD WINNERS

H. Glenn Spearow
Sidney, Nebraska

B. J. Majors
Fargo, North Dakota

A. M. Nelson
Spring Valley, Minnesota

M. C. Ebers
Fremont, Nebraska

Frank Tesar
Omaha, Nebraska

G. L. Kennedy
Omaha, Nebraska

L. S. Frankson, CLU
Rochester, Minnesota

O. L. Ugland
Grand Forks, North Dakota

B. G. Ray
Chappell, Nebraska

V. R. Morris
Grand Island, Nebraska

B. R. Gadd
Lincoln, Nebraska

C. W. Croley
Albany, Oregon

B. W. Hopper
Hastings, Nebraska

P. P. Baird
Seattle, Washington

C. W. Leonard
Tulsa, Oklahoma

H. A. Derby
Dallas, Texas

M. B. Borchert
Kearney, Nebraska

F. E. Hutcheson
Fremont, Nebraska

S. B. Starrett
Omaha, Nebraska

W. S. Hunt
Tulsa, Oklahoma

F. D. Foltz
Los Angeles, California

B. W. Flinders
Burbank, California

S. Y. M. Chow
Honolulu, Hawaii

Abe Newman
Akron, Ohio

J. J. Saad
Detroit, Michigan

R. O. Kiplinger, CLU
Omaha, Nebraska

W. W. Cooley
Salem, Oregon

R. E. Sauder
Grabill, Indiana

F. J. Majors
Minot, North Dakota

E. L. Kennedy
Galesburg, Illinois

L. L. Hardgrove
Fort Worth, Texas

D. E. Johnson
Whittier, California

H. J. Van Ryswyk
Oskaloosa, Iowa

R. D. Koontz
Muncie, Indiana

W. D. Rediger
Milford, Nebraska

Wilbert Hornbacher
Scottsbluff, Nebraska

Guarantee

MUTUAL LIFE COMPANY
OMAHA, NEBRASKA

Society to Conduct Leadership Meetings for Local Officers

Leadership guidance of CLU chapter officers and continuing graduate education of CLUs were acted upon at the 2-day meeting of American Society's board during the NALU convention in Washington.

Regional chapter officers conferences to develop chapter leadership will be held in Dallas and plan for the leadership workshop Chicago in March. The original was a project of the chapter activities committee, headed by Lillian G. Hogue, New York Life, Detroit.

Graduate Program

A national program of graduate instruction for CLUs has been under discussion for some time. The success of the society's summer CLU institutes encouraged consideration of how to develop such a plan.

Managing director Leroy G. Steinbeck recommended immediate establishment of a preliminary planning committee to explore the idea. The committee was appointed, with J. Carlton Smith, educational director of Southwestern Life, as chairman.

Reporting at the second session of the meeting, the committee recommended that consideration be given to naming a joint society-American college committee to in-

vestigate the need for a program of continuing education and the means of implementing it.

George Neitlich, manager of Metropolitan Life in Boston and outgoing society president, received reports from 12 committees and three officers. Two hundred society members took part in committee work his year.

The planning commission reported on a survey of methods by which the organization could serve members and the public more effectively. The commission was reconstituted under the chairmanship of J. C. Windsor, manager of Connecticut General in Milwaukee and a society director.

The new president, Fitzhugh Traylor, manager of Equitable Society in Indianapolis, closed the meeting by naming all committees and boards for 1956-57. The professional and institutional relations committee was set up for the first time. It is headed by Robert L. Woods, general agent of Massachusetts Mutual in Los Angeles and newly-elected society secretary.

Several at Convention from Republic National

Among the big attendance at the NALU convention in Washington are several from Republic National. They are Robert P. Hale, vice-president and director of ordinary agencies, Ed Nadalin, director of brokerage, Ernie Brewer, vice-president in charge of underwriting.

Public Relations Dramatized for CLUs

A dramatized presentation of five rules of personal public relations was a feature of the annual breakfast meeting of American Society of CLU in Washington during the NALU convention.

Following announcement of the ballot election of a new 1956-57 slate of officers, Howard D. Shaw, director of public relations of the society, entered the hall wearing a long black gown to illustrate the point that public relations is not

something you put on over the real man or something added—it is the man himself and everything he does.

Among demonstrations Shaw used for driving home points were a pair of shoes, a length of telephone cable, and book from which he chopped the last chapter with a hatchet, part of the presentation was a taped dialogue between husband and wife to illustrate the principle that people's unreasonable feelings are powerful, and another part was a simulated telephone conversation. Participation by several members of the audience was an integral part of the show.

(CONTINUED ON PAGE 46)



Unable, because of the crowd, to get into the room where he was scheduled to take part in a jumbo group panel discussion, Vice-president E. C. McDonald (second from left) of Metropolitan Life, is pictured here with Philip B. Hobbs, Equitable Society, Chicago, a past president of NALU; W. W. Hartshorn, superintendent of agencies of Metropolitan Life, and Harold Regenstein, Massachusetts Mutual, New York City.

GREETINGS to the N. A. L. U. Convention from BALTIMORE

BALTIMORE'S GENERAL AGENTS
and MANAGERS SEND BEST
WISHES to the MEMBERS
of THE NATIONAL ASSOCIATION
of LIFE UNDERWRITERS

JOHN Z. SCHNEIDER

Manager

CONNECTICUT GENERAL
LIFE INSURANCE COMPANY

210 N. Calvert

LEXington 9-6476

BERTRAM A. FRANK, C.L.U.

Mgr. of General Agencies

SUN LIFE ASSURANCE CO.
OF AMERICA

Incorporated 1890

Home Office—Baltimore, MD.

J. HENRY HOOPER AGENCY

OF

PROVIDENT MUTUAL LIFE INS. CO.

Offices

BALTIMORE—WASHINGTON—ANNAPOLIS
EASTON

1000 Fidelity Bldg.

Baltimore, Md.

JOHN C. DONOHUE AGENCY

of

THE PENN MUTUAL
LIFE INSURANCE COMPANY

101 E. Redwood

PLaza 2-6364

PERCY W. SCHALL JR.

Branch Manager

MANUFACTURERS LIFE
INSURANCE COMPANY

708 Mercantile Trust Bldg.

PLaza 2-2203

CHARLES W. EARNSHAW

Manager

STATE MUTUAL LIFE ASSURANCE
COMPANY
OF WORCESTER, MASSACHUSETTS

2 E. Redwood

PLaza 2-2626

PAUL E. BURKE JR., GEN. AGT.

and

ASSOCIATES

NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY

501 St. Paul Place

LEXington 9-0084

Oppose Non-Medical Pensions for Vets

The veterans' and servicemen's affairs committee report, which was received without opposition by National Council, recommended that in the future NALU militantly oppose any legislation designed to provide pensions to veterans in the absence of medically determined disability. A bill of this type

died when the 84th Congress adjourned.

The printed report opposed "using taxpayers' money to pay such tax-free benefits to non-disabled veterans at any age." Chairman Louis J. Grayson, Travelers, Washington, commented on this bill and also on the recently enacted servicemen's and veterans' survivor benefits act, known as H. R. 7089, which goes into effect next Jan. 1. The latter bill, he said, will provide a more adequate

and understandable program of survivor benefits for servicemen than in the past. The printed report described the new law's provision at some length.

The committee has received complaints from agents that commanding officers of certain military installations have been unduly severe in implementing Defense Department regulations on life insurance sales at the bases. Presidents of local associations near

military installations have been asked to supply the pertinent information. As a result of this survey, the committee hopes to determine what action, if any, NALU should take to protect the interests of members who solicit on military posts.

In line with the policy of favoring adequate pay for servicemen, the committee recommended that NALU support such legislation in the future. Legislation was introduced, but not passed, this year which would have allowed the time spent by servicemen at service academies or in ROTC training at civilian colleges to be counted as periods of active service when computing longevity pay.

NALU must be eternally vigilant in watching the legislative scene, Mr. Grayson said. The time may come when NALU will have to boost its dues to hire a couple more lawyers to watch all that is going on, because the job is more than the committee chairman can handle, he added.

Officials Hail NALU in Special Edition of LAN

President Eisenhower and ex-presidents Truman and Hoover are among numerous leaders of government, the life insurance industry and other professions who saluted NALU in a special issue of the association's monthly magazine, *Life Association News*, distributed at the NALU convention.

The 104-page edition commemorates the ground-breaking ceremony for the association's new Washington headquarters building and traces the campaign to raise funds to build and equip it. The issue chronicles the growth and achievements of NALU as set in the larger framework of the life insurance business. Also treated extensively is NALU's relationship to government and to other professional organizations and the impact of life insurance on the nation's economy and its health and welfare. Numerous other features are included.

Washington Newspaper Salutes NALU Meeting

The Tuesday edition of *The Washington Post & Times Herald* carried an editorial welcoming 3,000 members of NALU to the city. NALU the editorial stated, is "a group which reflects the professional skill and service now requisite in so important an activity. One of the features of the meetings, we are happy to note, will be groundbreaking ceremonies for the association's new memorial building to which, when it is completed, the NALU will move its headquarters from New York. It seems altogether fitting that the nation's capital should become the home of an industry which affects the lives of so many millions of Americans and plays so vital a role in their social and economic life."

As of
OCTOBER 1st, 1956
the name
UNION CASUALTY & LIFE INSURANCE COMPANY
is changed to
Mount Vernon
Life Insurance Company of New York
★
licensed to do business in
DELAWARE • DISTRICT OF COLUMBIA • FLORIDA
ILLINOIS • INDIANA • KENTUCKY
LOUISIANA • MARYLAND • MICHIGAN • MISSOURI
NEW YORK • OHIO • PENNSYLVANIA
TEXAS • WISCONSIN

RICHARD W. ELLSWORTH
Superintendent of Agencies

HERBERT L. HUTNER
President

Mount Vernon
Life Insurance Company of New York
HOME OFFICE:
17 East Prospect Avenue, Mount Vernon, New York

Philadelphia's Leading General Agents and Managers

Send Cordial Greetings to the

N. A. L. U.

67th Annual Convention



FREDRICK G. HIGHAM AGENCY

GREAT-WEST LIFE
ASSURANCE COMPANY

344 N. Broad

Tel: RI 6-2783

RALPH H. RICE JR., C.L.U.

Manager—Philadelphia Agency
THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA

1401 Walnut

Tel: RI 6-6010

ARTHUR R. GREMEL

Manager

THE MANUFACTURERS LIFE
INSURANCE COMPANY

1500 Walnut St. Bldg.

Tel: KI 6-0100

BENJAMIN M. GASTON, C.L.U.

Branch Manager

NORTH AMERICAN LIFE
ASSURANCE COMPANY

1830 Philadelphia Natl. Bk. Bldg.

Rittenhouse 6-8163

HARVEY GOODSTEIN, C.L.U.

General Agent

CONTINENTAL ASSURANCE
COMPANY

Complete Brokerage Facilities,
Special Attention Sub-Standard and Problem Cases
1413 Walnut Street
Philadelphia 2, Penna. LOcust 4-1070

H. S. BAKETEL JR., C.L.U.

General Manager

UNION CENTRAL LIFE INS. CO.

121 S. Broad St.

Tel: KI 5-8422

FRED VAN URK AGENCY

Representing

UNITED BENEFIT
LIFE INSURANCE CO.

123 South Broad St.

Tel: KI 6-1500

A. C. F. FINKBINER

General Agent

THE NORTHWESTERN MUTUAL
LIFE INSURANCE COMPANY

Bucks, Montgomery, Delaware &
Phila. Counties in Penna. State of
Delaware & Eastern Shore of Md.
Headquarters

1405 Locust St. Phila. 2, Pa.

Tel: KI 6-1234

WILLIAM G. PIERCE, C.L.U.

General Agent

THE FIDELITY MUTUAL LIFE
INSURANCE COMPANY

Philadelphia Natl. Bank

LO 8-2050

CHARLES G. HINKLE

General Agent

"Doc" Willing, Brokerage Manager

PAN AMERICAN LIFE INSURANCE CO.

1421 Chestnut

Tel: LO 4-1539

JOHN C. KNIPP, JR., C.L.U.

General Agent And Associates

THE CONNECTICUT MUTUAL LIFE
INSURANCE COMPANY

1200 Architects Building

17th and Sansom Sts.

Tel: LOcust 7-5131

HOME OFFICE AGENCY PHILADELPHIA LIFE INSURANCE CO.

115 North Broad St.

LOcust 4-1700

Your "Second" Company

Call John Engel For Quick Service

EDWARD L. REILEY, C.L.U.

General Agent

THE MUTUAL BENEFIT LIFE
INSURANCE COMPANY

820 Western Saving Fund Bldg.

Tel: PE 5-1456

JOHN T. FLANAGAN JR.

Manager



THE FIDELITY MUTUAL
LIFE INSURANCE CO.

1320 Western Saving Fund Bldg.

Tel: KI 5-2900

THOMAS F. IRWIN AND ASSOCIATES

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA

3 Penn Center Plaza

Tel: LOcust 8-0535

L. V. DRURY

Manager

SUN LIFE ASSURANCE COMPANY
OF CANADA

121 S. Broad St.

Tel: PE 5-4600

NORRIS MAFFET, C.L.U.

General Agent

THE CONNECTICUT MUTUAL LIFE
INSURANCE COMPANY

226 South 16th Street

Tel: Kingsley 5-1671

GORDON S. MILLER, General Agent MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

1616 Walnut—Kingsley 5-0833—Philadelphia 3, Pa.
Joseph H. Hahn, Cashier—John L. Dwight, Supv.

Elizabeth Jones, Asst. Cashier—
Timothy F. Moriarty, Jr., Policy Supv.
Sarah E. Pierson, New Bus. Asst.—
Norman W. Rowley, Training Dir.

Nearly 700 on Hand for CLU Conferment

The total number of Chartered Life Underwriter designations granted by the American college passed the 6,000 mark when the distinction was granted to the 1956 class of 432 new designees at the annual conferment exercises in Washington Wednesday.

By action of the college's registration board at a final session the day before, the experience requirements were cleared on eight candidates in addition to the 424 names that had appeared on the initial list issued Aug. 7.

Nearly 700 persons filling the combined Presidential and Congressional ballrooms of Hotel Statler in an impressive ceremony held traditionally in conjunction with the national convention of NALU,

and 157 of the new CLUs stood with raised right hand while the professional charge was administered by Dr. S. S. Huebner, president emeritus of the American college upon whose ideas the CLU concept was built. The event brought the total CLU designations conferred in the college's history to 6,187.

The conferment address was delivered by President Harold C. Case of Boston university and

prominent educator and humanist who called for a dedicated philosophy of knowledge, idealism, and integrity in a civilization that is going soft.

"Nothing is in such short supply in this rapidly changing scene as men of knowledge who have also integrity and character" declared Dr. Case. "The life underwriter who assumes that, with social security and fringe benefits, he can allow himself to be casual in his calling, is as out of date as the chemist or physician who works with knowledge that was taught a decade or two ago."

The doctor who writes prescriptions on pre-World War II medical knowledge is 90% out of date, he said.

The theme of Mr. Case's address entitled "Freedom Is Never Free" was an appeal for discipline.

"If we are losing the art of self-discipline in this society of gadgets, we ought to re-examine what must be done to retain our freedom," he suggested. "In the east-west struggle, the nation and the man who will be ahead will be the one that follows the way of thoroughgoing self-discipline, the one that lives within its margins."

Troubles Like Wind

Mr. Case compared Mankind's troubles to hard winds blowing across civilization, and cited three of them: rampant nationalism, which he stated is deeper than the struggle of east versus west; dictatorship versus the "creative confusion" of free society; and the problems growing out of the great growth in the demand for higher education.

"The key to leadership is knowledge, discipline of the mind, and skill," Mr. Case declared, pointing out that an enormous increase in the supply of teachers would be required to keep up with the demand for education.

To make higher education more attractive to the teaching profession, it is Mr. Case's contention that higher salaries will have to be paid and that many part-time teachers will have to be recruited.

Feature of the conferment dinner ceremony was special recognition of the CLU class of 25 years ago—those who attained the designation in 1931. Of the original class of 176 members, 16 attended the affair and were seated at a special secondary head table.

Dr. Huebner paid tribute to the group.

The new class of CLUs is the largest in college history, and the 157 who personally attended the ceremony comprised the biggest group ever to be present at a conferment.

Manhattan Life Representatives

Manhattan Life's home office is represented at the convention by President Thomas E. Lovejoy Jr. and Harry Levey, superintendent of agencies in the western division.

we are honored...

*by the election of
JACK NUSSBAUM to
the Presidency of the
National Association
of Life Underwriters.
He has served our
Company, the institution
of life insurance, and
his fellow underwriters
long and well, and will
give able leadership to
the national organization.*

THE N. A. L. U. WORKS IN YOUR BEHALF.
GIVE IT YOUR SUPPORT.

**Massachusetts Mutual
Life Insurance Company**

SPRINGFIELD, MASSACHUSETTS

The Policyholder's Life Insurance Company



Salient Features of New Internal Revenue Regulations Given

Many of those attending the NALU convention were much interested in the long-awaited internal revenue service regulations covering sections 401 to 404 inclusive of the 1954 Internal Revenue Code, which were published Tuesday in the Federal Register. They are the final version of the proposed regulations printed in the Federal Register for Sept. 1, 1955, more than a year ago, and deal with pension and profit-sharing plans.

Immediately upon publication of the final version, Charles D. Spencer, editor of Employee Benefit Plan Review, made a digest of the significant changes for publication in his magazine. They are printed here, for the benefit of convention attenders, in advance of the Employee Benefit Plan Review's publication date, through the courtesy of Mr. Spencer.

By Charles D. Spencer

Final regulations covering Sections 401, 402, 403 and 404 of the 1954 Internal Revenue Code have been issued.

Some of the noteworthy changes follow:

The \$100 a week exclusion provided by section 105 (D) is applicable to a distribution from a pension or profit-sharing plan if such distribution constitutes wages or payments in lieu of wages for a period during which an employee is absent from work on account of a personal injury or disability. Thus, total disability benefits will be eligible for tax free treatment up to a total of \$5,200 a year.

Under the previously published regulations covering section 105 it was noted that payments on account of disability would be eligible for tax-free treatment if the employee would be expected to work if he were not disabled thus, payments received after normal retirement age would not be eligible. No fixed figure was given as to the age.

Under plans which have specific total disability benefits such benefits are usually paid until normal retirement age and then they are refigured on a normal retirement basis. However, in changing disability benefits to conform to the new social security total disability benefits some plans are refiguring benefits on a normal retirement basis "when social security starts."

Plans which take care of total disability under early retirement provisions may find it advisable to specifically refer to total disability benefits even if the formula for determining them is the same as the early retirement provision so those who are totally disabled may

gain the advantageous income tax treatment accorded under section 105.

Fears that no-fixed-contribution profit-sharing plans may get into difficulty unless a token contribution is made in years when there are profits are allayed by a statement that "it is not necessary that the employer contribute the same amount or contribute in accordance with the same ratio every year." However, it is noted, "merely making a single or occasional contribution out of profits for employees does not establish a plan of profit-sharing. To be a profit-sharing plan, there must be recurring and substantial contributions out of profits for the employees."

The question as to whether an employee may be granted a choice to receive profits on either a cash or deferred basis is handled by the following rule:

Employees who receive the amounts allocated to their accounts before they are entitled to them under the standard benefit provisions (retirement, disability, death and layoff) "shall not be considered covered by a profit-sharing in determining whether plan meets the coverage requirements."

The amounts paid in cash are excluded in determining the amount contributed by the employer to the plan. Thus, if a plan meets the 70%-80% rule or is not discriminatory under a classification method of determining participants after those who elect cash are excluded, such an alternative method will be permitted.

A change which is significant is reviewing plans in operation is that the "Form of a plan" is now granted equal weight with the "effects in operation". Under the old rule, which was invoked quite often in reviewing existing plans, the statement is made that "the law is concerned not so much with the form of any plan as it is with its effects in operation." The new rule states that "the law is concerned not only with the form of a plan but also with its effects in operation."

Outside of stating that profit-sharing plans may be integrated with social security, there are no material changes in the integration rules.

Provisions of the regulations covering benefit payments under plans which contain life insurance benefits are rewritten and go into considerable detail. One favorable point which is changed is that the value of the life insurance benefits on which the employee paid a tax is deducted by his beneficiary in determining the tax payable on the cash value of the contract.

There is no change in the basic rule that the value of the death benefit in excess of the cash value of the policy is currently subject to tax to the employee and the beneficiary receives the death benefit in excess of the cash value income in excess of the cash value income tax free under Section 101.



Group from the Chicago area: From left, Carl Lindstrom, Travelers, Evanston; Mrs. William E. North; Mr. North, who is manager for New York Life at Evanston; Dan Kaufman, Northwestern Mutual, Evanston, president of the Chicago Life Underwriters Assn., and Carl Spahn, Equitable of Iowa, Chicago.



You get **Full Vesting** of renewals with

Lafayette Life

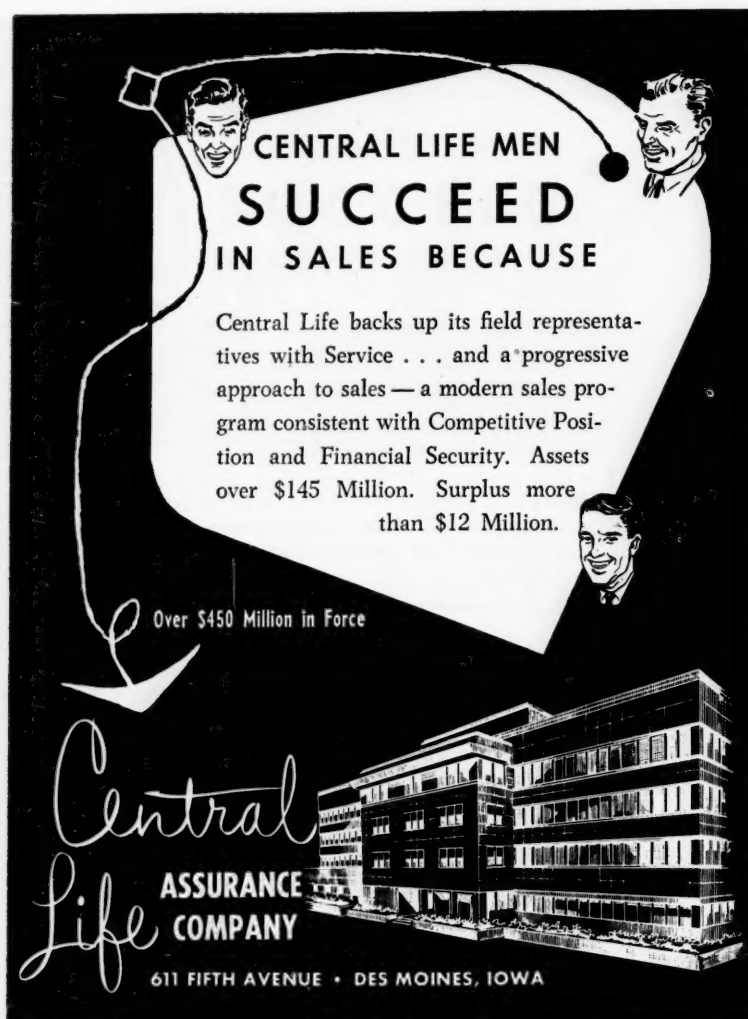
in a general agency contract that provides:

Top commissions... lifetime renewals... no collection penalties (death, retirement, or termination)... and a generous pension plan. You'll be happy... and stay happy... with Lafayette's sound, fair, easy-to-understand contract; with Lafayette's active, friendly support through modern sales tools, progressive merchandising methods, interim financing, and a liberal, realistic compensation plan. Get the benefits of a "no penalties" contract. Join Lafayette now. Write in confidence to M. V. Goken, Director of Agencies...

Lafayette
LIFE INSURANCE COMPANY
LAFAYETTE, INDIANA

Inquiries invited from Indiana, Ohio, Illinois, Michigan, Iowa, Nebraska, Missouri, Pennsylvania, Wisconsin, Kentucky, Virginia, Texas, Tennessee, Colorado, Wyoming, New Jersey, Florida, West Virginia, Maryland, District of Columbia, Minnesota and adjacent states.





**CENTRAL LIFE MEN
SUCCEED
IN SALES BECAUSE**

Central Life backs up its field representatives with Service . . . and a progressive approach to sales — a modern sales program consistent with Competitive Position and Financial Security. Assets over \$145 Million. Surplus more than \$12 Million.

Over \$450 Million in Force

Central Life ASSURANCE COMPANY

611 FIFTH AVENUE • DES MOINES, IOWA

You can't put all Canadians on ice!

But you can depend on Crown Life, Canada's youngest billion dollar life insurance company, to help you put your toughest prospects on ice.

What are your goals:

Attractive Commissions?
Professional Service?
Liberal Underwriting?
Competitive Premiums?

Then You'll score everytime . . .

With Crown Life—the Canadian company that has been built by thinking of the agent first. So thinking agents think first of the

CROWN LIFE INSURANCE COMPANY

Save Time:

Call Crown First.

New Jersey Life Associates, Inc.

Raymond Commerce Building
NEWARK 2, NEW JERSEY
Phone Mitchell 2-2083

for Personal Service:

MILTON J. STERNGOLD

Field Service Supervisor

for Personal Service:

MARK M. BYRON

Field Service Supervisor

J. DICKSTEIN, C.L.U. President

Says Jumbo Group Hurts Public As Well As The Agent

**No-Limit Coverage Akin
to Killing Golden-Egg
Goose, Fluegelman Holds**

"Jumbo" group is against the interest of the public and "the agents simply do not like large amounts of group insurance on an individual life," according to David B. Fluegelman, past president of National Assn. of Life Underwriters and chairman of the NALU group committee.

Mr. Fluegelman stated his position during the panel on group insurance that drew a capacity crowd to the ballroom of the Statler Hotel during the agents' forum conducted at the annual meeting of NALU. He is general agent of Connecticut Mutual at New York.

"The companies expect loyalty from their agents and I believe they will concede that in the main they are receiving this loyalty," he said. "The agents do everything in their power to coordinate with the desires of their respective companies. In this instance, it has been indicated for a long time that the agents simply do not like large amounts of group insurance on an individual life.

Should Recognize Agents' Desires

"Why don't the companies recognize this and accede to the expressed desire of their representatives? The agents believe that the current method of merchandising group insurance is against the public interest. The agents are on the firing line and not in the ivory towers of the home office. It would appear to me that if the companies have any confidence in their agents, they should recognize that their desires are in the best interests of all concerned.

"The companies are proud of mutuality of treatment of policyholders. When will they learn that there is a mutuality of interest between the success of a company and the welfare of its agents?

"We are at a very important crossroad and the decisions made

today will affect all segments of the industry for many years to come. We are convinced that jumbo and no-limit group insurance is akin to killing the goose that laid the golden eggs. It is not too late to change if the companies are not too adamant and short-sighted. Let not 100 years of progress, in which the prestige of the institution of life insurance has steadily grown, be sacrificed on the altar of temporary expediency."

Mr. Fluegelman's opponent in the debate was E. C. McDonald, vice-president of Metropolitan Life, whose talk is summarized elsewhere in this issue. Mr. Fluegelman quoted a number of excerpts from a letter written by Mr. McDonald a while back, dealing with large amounts per life in general and the General Motors dealers case in particular. Although there have been cases written with much larger limits than the General Motors case's top of \$100,000, the case seems to have brought the jumbo group issue to a head among its opponents in NALU.

Some Can't Get Insurance

Mr. McDonald's letter stated at one point that "it is not easy for some of the dealers to obtain standard insurance and of course in some cases they can't obtain any insurance at all, due to physical impairments."

"This raises a very interesting question," Mr. Fluegelman commented. "Apparently the case was written in order to provide benefits for those who could not obtain them in any other manner. Is it to be understood that it is necessary to be an employee of a large corporation as a prerequisite to receive death benefits when you are uninsurable? This would appear to be a gross discrimination against other members of the community, such as physicians and attorneys.

"Furthermore, the cost to cover the extra risk of uninsurables has to be borne by the other members of the group who are normal standard risks. This is definitely a discrimination against those persons who are insurable in favor of those who are uninsurable. The social consequences of this philosophy will not ultimately be productive of sound public relations.

Another portion of Mr. McDonald's letter quoted by Mr. Fluegelman.

(CONTINUED ON PAGE 48)

Relaxing after the first GAMC board session are (from left) W. Thomas Craig, Aetna Life, Los Angeles; Carr R. Purser, Penn Mutual, New York City, vice-chairman of GAMC; E. A. Ellis, Pacific Mutual Life, San Francisco, and John A. Hill, Aetna Life, Toledo, both GAMC directors.





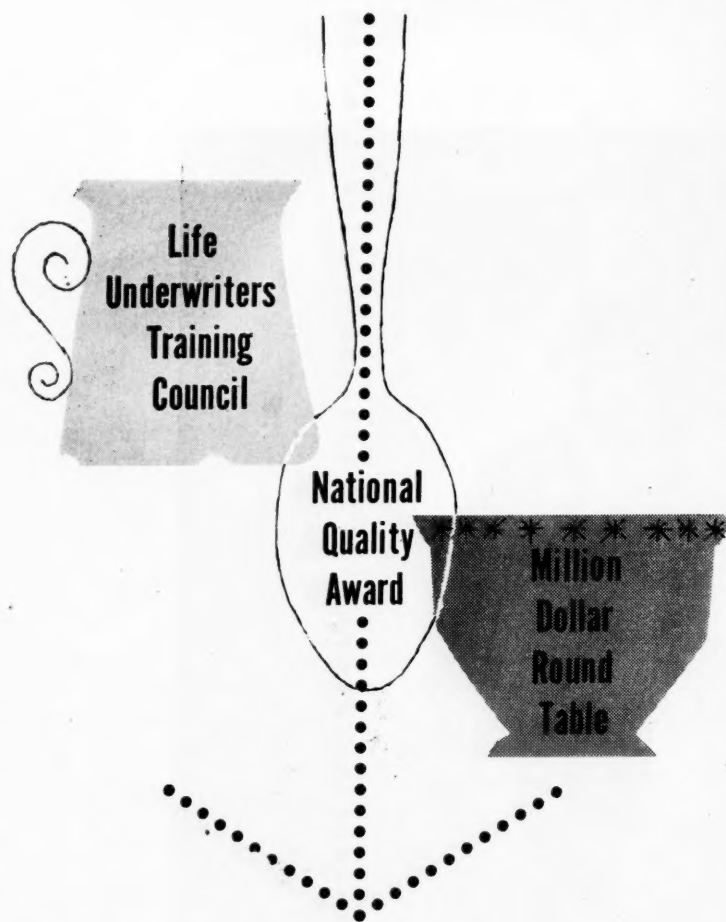
Man with a Future

THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

CINCINNATI, OHIO

A Mutual Company





Ingredients for Success

Successful Career Field Underwriters are made. *They don't just happen.* The ingredients for success are available to all. Carefully mixed, seasoned and heated, these ingredients will produce the successful, professional, Career Life Underwriter.

To the National Association of Life Underwriters our thanks and congratulations for providing, through their sponsorship, these ingredients for Career training.

Bankers Life
INSURANCE COMPANY of Nebraska

SINCE 1887

HOME OFFICE LINCOLN

R. J. Wilcox Outlines His Methods for Exceeding \$1 Million a Year

Repeating the talk that was an outstanding hit at the recent annual meeting of the Million Dollar Round Table, R. Jay Wilcox of the Byrnes agency of New England Life at New York gave the details of his work system in his talk during the Million Dollar Round Table hour at the NALU annual meeting. Record-keeping and analysis of his records enabled him to keep improving his production. He wrote a million his first full year in the business, which he entered on graduating from Dartmouth six years ago.



K. Jay Wilcox

By R. JAY WILCOX

To make appointments, I use the telephone exclusively and very seldom see a man without a definite appointment. Most of my phone calls are to referred leads or cold calls to qualified lists of people with incomes of \$15,000 a year or more.

If I want 15 appointments for the week, I have to call about 60 people, find about half of them in, and of these 30 I talk to, I average about 15 appointments. Carl Travis taught me a telephone approach two years ago which I've used ever since. This is psychologically a very low-pressure, easy-going approach and a welcome change from the rapid pace in New York City. The first part of it goes like this:

"Mr. Scott, have you got a moment to speak on the phone? My name is Wilcox—Jay Wilcox of the New England Life. I have about 20 friends and acquaintances in the steel business and I've heard about you and even though you may not want to talk about life insurance, Mr. Scott, I'd like to meet you. May I drop by and do that tomorrow about 10 a.m., would that be all right?"

This isn't the whole talk, of course. I may sound like a dead-head but you'd be amazed at how it works. I get about one appointment for every two men I talk to.

When we start our interview, I warm up the prospect with a talk which shows him I know my business and which builds confidence. Most of the prospects in New York City have been programmed. I try and say some things that are a little different—giving ideas that may arouse interest.

You may be interested in where I'm getting my business. Last year was my best year to date, with \$2,425,000 paid for. Frankly, this was quite a bit better than previous years.

Of a total of 61 cases, 46 cases were program sales or one-interview sales to average prospects for

a volume of about \$525,000—an average size of \$11,000. However, more interesting, 10 of the sales were to millionaires, for a total volume of \$1,537,000—an average sale of about \$150,000. This was principally cross-purchase life insurance to pay estate taxes. The remaining five sales were on business insurance cases for a volume of \$400,000—an average case of \$80,000.

This analysis leads me to believe that I should concentrate more on the very wealthy market and there's no better place for this than New York City. I've been lucky to have worked with both the Robinson Brothers and the Estate Planning Co., who have had a great deal of experience in planning estates for very wealthy individuals. The knowledge learned from these two organizations has been very helpful.

Puts in Lots of Hours

I've always put in a lot of hours at this business because it isn't hard work. I love it. When I first started about six years ago, I used to work four nights a week and many Saturdays. I didn't keep good records but I did know that I was working very long hours.

I now keep very complete weekly records of my business activity. We have a weekly report sheet on which I put down each appointment whether it is a first interview or closing interview, and day or night interview. I also list the number of referrals I get each week, the number of appointments arranged for the following week and the number of appointments cancelled during the week.

For example, last year was the first year I had a complete set of records to study. They showed that during the 46 weeks I spent actively soliciting business I averaged about 11 appointments a week—eight daytime and three nighttime. Incidentally, if I work at night I try to schedule two appointments—one at 7:30 and one at 9. It's not much more work to see two people than one if you're already going out.

From 129 closing interviews, there were 61 sales, for an average size case of about \$39,000. Twelve sales were to old clients. Ten sales were from direct mail replies, 18 sales from cold calls and the rest of the business came from referred leads.

I hope this won't sound too egotistical, but I found that each one of my 497 interviews was worth about \$130, counting first year commissions and 70% persistency of renewals. What other business offers this opportunity to a guy my age?

"Stomach" Ulcer

ACCORDING to recent conservative estimates, about half a million people in our country today have ulcers of the digestive system in an active form. This includes both ulcers of the *stomach* and ulcers of the *duodenum*—that part of the small intestine into which the stomach empties.

There is evidence that this disease is increasing, especially among those from 30 to 50 years of age.

Medical science can now offer greater hope than ever before to those who have this condition. Many cases can be cured completely, and others can be controlled.

This has been made possible largely by increased knowledge of the nature of the disease—particularly of the part

ach, is also believed to be an important factor in the development of this ailment.

As the ulcer develops, pain, an unnatural feeling of hunger, so-called "heartburn" and "indigestion," or other digestive complaints usually occur.



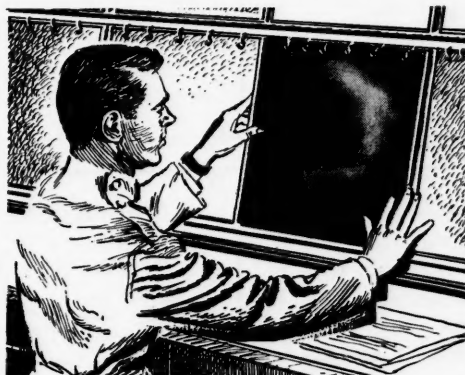
Through improved X-ray techniques and other diagnostic aids, the doctor can almost always determine the size and location of an ulcer. If the condition is detected, he will recommend prompt treatment, as an ulcer may quickly undermine general health by interfering with the body's nutritive processes.

Fortunately, in many cases, ulcers can be treated successfully by appropriate dietary measures. Specialists say that the patient must also readjust his daily life so as to reduce mental and emotional strain.

In addition, new drugs are proving helpful. Cases that do not respond to either drug or diet therapy are often benefited by surgery.

As a safeguard against ulcers and other diseases of the digestive system, doctors urge everyone to seek immediate medical attention whenever persistent discomfort occurs in the region of the stomach.

With prompt medical care, many persons with ulcers and other digestive disorders recover completely and lead normal, healthy lives.



that the emotions play in causing ulcers. There has also been great improvement in methods of diagnosis and treatment.

An ulcer is essentially an irritated or inflamed area in the lining of the stomach or duodenum. Although the exact cause is unknown, there are several factors which may be responsible for its onset.

Constant abuse of the stomach through eating hurried, irregular meals—or eating food that is too highly seasoned, or too hot or too cold—may lead to an ulcer.

Prolonged emotional tension, accompanied by excessive secretion of the acid digestive juices formed by the stom-

Metropolitan Life Insurance Company

This advertisement is one of a continuing series sponsored by Metropolitan in the interest of our national health and welfare. It is appearing in two colors in magazines with a total circulation in excess of 31,000,000 including Collier's, Time, Newsweek, Saturday Evening Post, Ladies' Home Journal, Good Housekeeping, Redbook, Reader's Digest, National Geographic.



CHARLES L. J. FEE, GENERAL AGENCY

Charles L. J. Fee, *General Agent*
 Verne Smith, *Assoc. Gen. Agt.*
 Don Cashill, *Outside Brokerage Mgr.*
 Cliff Dancer, *Office Brokerage Mgr.*

John Hancock
 MUTUAL LIFE INSURANCE COMPANY

Boston, Massachusetts
 DUnkirk 2-8251

600 S. New Hampshire

Los Angeles 5

WALTER S. PAYNE AGENCY

THE PRUDENTIAL INSURANCE
 COMPANY OF AMERICA

Walter S. Payne, *Mgr.*

Western Home Office: Los Angeles, Calif.

TUcker 6251

210 West 7th Street

Los Angeles 14

THE A. C. KRAUEL AGENCY

A. C. Krauel, *General Agent*
 PACIFIC MUTUAL LIFE
 INSURANCE COMPANY

TRinity 9501

523 WEST 6th ST.

LOS ANGELES 14

HENRY E. BELDEN, C.L.U.*Manager*

Southern California-Arizona Branch

THE UNION CENTRAL LIFE
 INSURANCE COMPANY

MUtual 2137

530 West Sixth St.

Los Angeles 14

T. R. (BOB) MACAULAY*General Agent*

STATE MUTUAL LIFE ASSURANCE
 COMPANY

Telephone TRinity 6439

530 W. 6th St.

LOS ANGELES 14

"Specializing in Service to Brokers"

N. J. NELSON*General Agent*

LINCOLN NATIONAL LIFE
 INSURANCE COMPANY

YOrk 1144

6336 Wilshire Blvd.

Los Angeles 48

JAMES STOESSEL, C.L.U., GEN. AGT.Walter Stoessel, C.L.U., *Associate General Agent*

NATIONAL LIFE OF VERMONT

WEBster 1-1621

4848 Wilshire Blvd.

Los Angeles 5

BERNARD E. KAMMERER*General Agent*

CONTINENTAL ASSURANCE
 COMPANY

1052 West Sixth St.

Los Angeles 17

Michigan 7896

GEO. N. QUIGLEY, JR., C.L.U.*Branch Manager*

MANUFACTURERS LIFE INS. CO.

Ed. Linsenbard, *Brokerage Mgr.*

DUnkirk 5-3241

3535 West 6th St.

Los Angeles 5

THE MELZAR C. JONES AGENCY

THE CONNECTICUT MUTUAL LIFE
 INSURANCE COMPANY

John A. Speed John A. Biedermann, Jr.
Agency Supervisor Brokerage Mgr.

DUnkirk 3-1393

3440 Wilshire Blvd.

Los Angeles 5

RAY J. HAVERT, C.L.U.*General Agent*

John Hancock
 MUTUAL LIFE INSURANCE COMPANY

GERALD F. FIRESTONE, *Brokerage Supervisor*
 DUnkirk 5-3257

2999 West 6th St.

Los Angeles 5

ARTHUR R. KRAUSSE & CO., INC.*Lloyd's London Correspondents*

UNITED STATES AND CANADA

Accident and Health exclusively

649 South Olive

Los Angeles 14

TUcker 1153

GEORGE A. LANDIS*State Manager*

THE FRANKLIN LIFE INSURANCE
 COMPANY

Springfield, Illinois

DUnkirk 5-5255

3980 Wilshire Blvd.

Los Angeles

GERALD W. PAGE, C.L.U.*General Agent*

PROVIDENT MUTUAL LIFE
 INSURANCE COMPANY

Telephone: TRinity 3151

530 West 6th Street

Los Angeles 14

THE NORTHWESTERN MUTUAL
 LIFE INSURANCE COMPANY

JOHN R. MAGE, C.L.U.*General Agent*

TRinity 3821

727 West Seventh St.

Los Angeles 17

HOWARD E. NEVONEN, C.L.U.*General Agent*

WASHINGTON NATIONAL
 INSURANCE CO.

DUnkirk 5-3311

3580 Wilshire Blvd.

Los Angeles 5

JACK WHITE AGENCYJack White, C.L.U., *Manager*

THE PRUDENTIAL INSURANCE
 COMPANY OF AMERICA

5657 Wilshire Blvd.

Los Angeles 36

WEBster 3-8211

W. THOMAS CRAIG*General Agent*

AETNA LIFE INSURANCE COMPANY

O'Brien Sawyers, Jos. F. Bradley, Robert H. DeBusk
Assistant General Agents

Holeman Grigsby E. H. Goodrich
Manager Group Dept. Cashier

810 S. Spring St.

TR 1771

Los Angeles 14

THE YATES-WOODS AGENCYJohn W. Yates and Robert L. Woods, *Gen. Agents*

MASSACHUSETTS MUTUAL LIFE
 INSURANCE CO.

DUnkirk 1-3181

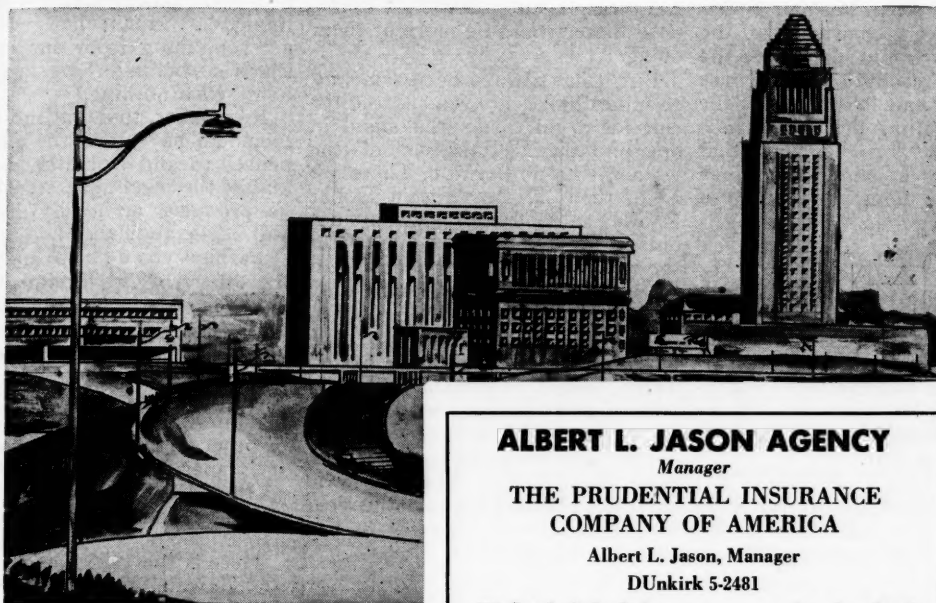
2601 Wilshire Blvd.

Los Angeles

**The LOS ANGELES Leading
 to the N. A. L. U.**



Life Offices Send Best Wishes 67th Annual Convention



LEISURE, WERDEN & TERRY AGENCY

Brokerage Exclusively

OCCIDENTAL LIFE INSURANCE
COMPANY

MADison 6-4161

Suite 323, General Petroleum Bldg., Los Angeles 17

THE HAYS AGENCY

Rolla R. Hays, Jr., C.L.U., *General Agent*
NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

Charles C. Nalle, *Asst. Gen. Agt., Pension Planning*
George S. Ferreira, *Mgr., Brokerage Dept.*

D. Kenneth Elliott, *Manager, Agents Training*
Suite 512, Statler Center MADison 6-5881

ALBERT L. JASON AGENCY

Manager

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA

Albert L. Jason, *Manager*

DUnkirk 5-2481

611 South Oxford Ave. Los Angeles 5

THE M. E. THOMPSON AGENCY

M. E. Thompson, *General Agent*

C. Mercer Barnes, *Asst. Gen. Agt.*

Harold F. Green, C.L.U., *Asst. Gen. Agt.*

PACIFIC MUTUAL LIFE INSURANCE
COMPANY

DUnkirk 8-6151

612 South Shatto Place Los Angeles 5

STANLEY J. NEUMAN

General Agent

CONTINENTAL ASSURANCE
COMPANY

TRinity 6356

Brokerage Exclusively

Life and Non-Cancellable Disability

510 West Sixth St. Los Angeles 14

NEIL BURTON, Mgr. - R. V. SNYDER, Mgr.

933 Subway Terminal

Los Angeles

MA 9-1671

3838 W. Santa Barbara

Los Angeles

AX 2-0775

CANADA LIFE ASSURANCE CO.

Prompt Brokerage Service

ALEXANDER A. MCLEOD

Regional Supt. of Agents

PROVIDENT LIFE INSURANCE CO.

230 S. Robertson Blvd.

Beverly Hills

ROBERT B. OGDEN, JR.

General Agent

THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Stanley T. Collins, *Asst. Gen. Agt.*

Robert M. Allmann, *Agt. Supvr.*

Conrad Moss—*Brokerage Ass't.*

1653 Beverly Blvd. Los Angeles 26
MADison 6-5568

LIFETIME INCOME DIVISION

(Joseph Brothers and Hirschorn)

UNITED INSURANCE CO.
OF AMERICA

George E. Orling, *Manager*

TRinity 9138

117 West 9th St. Los Angeles 15

CYRUS G. SHEPARD

General Agent

THE UNITED STATES LIFE
INSURANCE COMPANY

615 S. Oxford

Los Angeles 5

Brokerage Service

J. C. SCHAEFER, C.L.U.

Manager

SAYRE, TOSO & SCHAEFER, INC.

California General Agents

GREAT-WEST LIFE ASSURANCE
COMPANY

DUnkirk 5-3391

3665 West 6th St. Los Angeles 5

BRUCE BARE AGENCY

General Agents

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

510 W. Sixth St.

Los Angeles

Michigan 8676

WALTER E. MAST, MGR.

Los Angeles Branch Office

CONTINENTAL ASSURANCE CO.

Brokerage & Surplus Ordinary (Par & Non-Par)

Group, Group Permanent, Non Can A & H

653 S. Spring St. MADison 9-1383 Los Angeles

DUNN & THOMPSON, INC.

General Agents

CANADA LIFE ASSURANCE CO.

J. A. Barry, *V.P. Life Department*

TRinity 3633

704 S. Spring St. Los Angeles 5

Union Mutual Life Insurance Co. SWETT & CRAWFORD, Pacific Coast Mgrs.

RICHARD M. DOYLE, *MGR.*

Life, Accident & Sickness Department

SAM P. BRIMIGION

Manager of Agencies Western Division

JOHN D. CURTIN

Manager of Group Western Division
3450 Wilshire Blvd. DUnkirk 1-3211

THE A. E. KRAUS AGENCY

Arthur E. Kraus, C.L.U., *Gen. Agt.*

Harry Hodgkin, *Supervisor*

PACIFIC MUTUAL LIFE
INSURANCE COMPANY

DUnkirk 1-3851

3900 West 3rd St. Los Angeles 5

T. G. Murrell

W. L. Murrell

MURRELL BROTHERS

General Agent

MUTUAL BENEFIT LIFE INS. CO.

DUnkirk 8-2121

600 South Harvard Los Angeles 5

LLOYD W. HUMMEL

General Agent

BANKERS LIFE INSURANCE
COMPANY OF NEBRASKA

DUnkirk 8-7181

3325 Wilshire Blvd. Los Angeles

THE CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

EDWARD B. BATES

General Agent

WEbster 3-2611

4270 Wilshire Blvd. Los Angeles 5

Is MDRT Getting Too Big? Priebe Asks Unbiased Consideration of Question

Presiding over the Million Dollar Round Table hour at the NALU convention, Arthur F. Priebe, Penn Mutual, Rockford, Ill., the 1956 MDRT chairman, posed the question of the increasing size of the Round Table. The number of members has doubled twice in the last 10 years, Mr. Priebe pointed out, a rate that would mean 4,000-plus members by 1961. He asked for open-minded consideration of the question. As one viewpoint, he quoted from a letter from A. J. Ostheimer



Arthur F. Priebe

III, Northwestern Mutual, Philadelphia, a past chairman of the MDRT, who would like to see the membership reach 10,000 "because it would indicate clearly that the business of selling life insurance is a real career business and that there are lots of outstanding men in it who are doing a good job of insuring the public."

By ARTHUR F. PRIEBE

It is not easy for a man to write a million dollars of insurance in a year. Some of you may quarrel with that statement. Yet I call your attention to the fact that only a fraction, in fact, less than 1%, of the working agency force of the U.S. do a million a year.

So it isn't easy for a man to sell a million dollars of insurance in

one year, even today . . . otherwise there would be more of them doing it!

But it has always been a feeling of mine that it is even more difficult for a gal to do it. I stand in open-mouthed admiration of the women who do that job. There are 13 of them in the Million Dollar Round Table. After all, they not only deserve your recognition for the sales record they produced, but they do relieve the male monotony of this group!

We have come a long way. You heard me say that about the Round Table, and it is certainly literally true of many of those who came to the Kungsholm meeting.

Last year we had a member who came from Tokyo. The man who came the greatest distance this year

traveled more than 16,000 miles by the time he got back home! That, I submit to you, if you were a part of this executive committee, would be a real challenge. It is a sobering thought . . . for if that guy doesn't get something from our program, that's a helluva long way back home with nothing!

Remember, too, that most of our members pay all of their own expenses to and from the meetings, and at the meetings . . . which for us produces an avidly interested and eager audience.

Perhaps you'd like to know where the others of our foreign membership come from. Most of you know that the original Table was made up of citizens of the United States only; but very quickly, in fact in 1930, that was changed. The membership was expanded to citizens of other countries who could qualify, translated into dollars of course, so the Million Dollar label is authentic no matter where it originates.

Here is the 1956 lineup: Canada, 92; Hawaii, 29; South Africa, 4; Alaska and Japan, each with 2; and Cuba, Mexico and Venezuela with 1 each.

Our 1,881 members from the United States include representation from every state in the Union and the District of Columbia, ranging all the way from 227 in New York state and 190 in California, to Idaho, Maine, North Dakota and South Dakota with one member each.

Come a Long Way Since '26

We've come a long way since 1926, in many respects . . . in the size of our Round Table, principally. But there are certain things we have not changed:

From the very beginning each succeeding executive committee has reaffirmed the belief that the Round Table should remain an organization devoted entirely to the improvement of personal skills. By strict adherence to this policy, the Round Table has uniquely become a mutual development society, with tremendous benefit to the general public and to the institution of life insurance, through the betterment of the quality of service of our members.

Again, I would like to hark back to the fact that we have come a long way. Too far . . . too far, you might say, after considering the fact that our membership has doubled twice in the last 10 years.

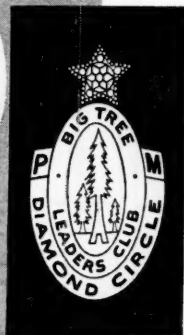
It doesn't take a very smart man with a very long pencil a very long time to figure out the projection of that rate of growth would mean a Round Table of 4,000-plus members in 1961. That is the final year of the tenure of office of the newest member of the 1957 executive committee.

But, seriously, have we gotten too big? Or, more accurately phrased, are we getting too big?

I don't know. I don't know whether you do, either. But if you think about the problem and you give it careful thought, you might

(CONTINUED ON PAGE 30)

the
diamond
circle
1956



recognition and responsibility

... both are symbolized when this emblem is displayed by The Diamond Circle Leaders of the Pacific Mutual Big Tree Club...

Recognition—of outstanding accomplishment in helping families to build security through Life Insurance...

Responsibility—in maintaining the high type of representation which will still further advance their own achievement, will inspire their fellow underwriters, and will reflect credit upon the entire Institution of Life Insurance.

To the Membership of the National Association of Life Underwriters, then, Pacific Mutual proudly commends the 1956 Diamond Circle Leaders of the Big Tree Club.

R. Earl Denman
Eugene I. Rappaport, C.L.U.
Robert P. DeOrsey
C. A. Georgiades
Fred L. Hirsch
Arnett Lovejoy
Donald W. Fewell
Wm. Richard Balkin
W. Harlow Edwards
Edgar M. Richardson
Al Robinson
Chas. S. Broh, C.L.U.
Paul L. Fernald
Walter L. Strand
Brice E. Fulghum
C. Porter Hochstadter
Carl A. Daniels
Lewis M. Lasman
Maurice F. Bradley
Sam Eizman
George McCoy
Daniel D. Franzblau
P. T. Abell
Chester Ashford
Ferrell H. Adams
Theo. Hundley
Herbert W. Wiedemann
Wallace J. Champlain
Morris Shapiro
Robert A. Brown
Robert A. Brown, Jr. C.L.U.
Albert F. Hacker
Max B. Jackoway
Erick Gebben
Abram L. Geller
Roger M. Coffin
Jack M. Dew
Clifford E. Strom
Louis A. Arzt
Jack A. Bratton
Carroll D. Bryant
N. A. Herberts

Pacific Mutual
Life Insurance Company

PACIFIC MUTUAL BUILDING • LOS ANGELES 55, CALIF.

GREETINGS to the N. A. L. U. MEETING from DETROIT!

The Motor City Life General Agents and Managers listed below are happy to extend their warmest greetings to the members of the NATIONAL ASSOCIATION of LIFE UNDERWRITERS on the occasion of their 67th annual convention at Washington, D. C.



THE MACCABEES

Great Camp for Michigan

L. F. Ayer, Great Commander

402 Maccabees Building TEL: Temple 1-3435

DETROIT MUTUAL INSURANCE COMPANY

Home Office

RAY E. LARIMER, President

L. W. SCHLEH, Exec. Vice President

JOHN E. JONES, Secretary & Agency Director
8855 Woodward Ave. TEL: TRinity 3-6500

R. G. WAYLETT AGENCY

NORTH AMERICAN LIFE ASSURANCE COMPANY

29th Floor, David Stott Building
TEL: WOODward 1-6367

HAROLD S. NORMAN & ASSOCIATES, INC.

General Agent

PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY

2853 Guardian Bldg. Tel: WO 1-3477

F. E. McMAHON

General Agent

AETNA LIFE INSURANCE COMPANY
HARTFORD, CONNECTICUT

9th Floor Guardian Building Detroit 26, Mich.

FRANK W. HOWLAND, C.L.U.

General Agent

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

1680 National Bank Building WOODWARD 3-3060
Serving Detroit since 1855

We invite your brokerage and surplus business. Liberal retention limits or Standard and Sub-standard cases.

FRASER E. POMEROY

General Agent

NEW ENGLAND MUTUAL IN DETROIT

1853 Penobscot Building Tel: WOODWARD 3-0300

LLOYD J. LYNCH, INC.

General Agents

John Hamard
LIFE INSURANCE COMPANY
OF DETROIT, MICHIGAN

Ground Floor, National Bank Building
Telephone: WOODWARD 1-2730 Detroit 26, Mich.

WILLIAM H. KLINGBEIL

Manager

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Detroit Agency

Suite 1421 National Bank Bldg.
Detroit 26, Mich. Tel: WOODWARD 3-3100
Wayne McCarthy, Brokerage Manager

ROLAND D. BENSCOTER

General Agent for Michigan

PROVIDENT MUTUAL LIFE INSURANCE COMPANY

18943 James Couzens Highway Detroit 35, Mich.
Telephone: UNIVERSITY 4-0320

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY
OF NEWARK, NEW JERSEY

CHARLES CARROLL OTTO

General Agent

28 W. Adams Detroit 26
Telephone: WOODWARD 3-6306

CHARLES E. STUMB

General Agent

THE CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Our 108th Year in Detroit

Suite 1521 National Bank Building, Detroit
WOODWARD 1-0922

ARTHUR P. JOHNSON

Agency Manager

THE GREAT WEST LIFE ASSURANCE COMPANY

"THE PROGRESSIVE AGENCY IN DETROIT"
1700 Penobscot Building Detroit 26

Ordinary Cases a Breeze
... Difficult Cases a Specialty
CONTINENTAL ASSURANCE COMPANY

Detroit Branch Office

725 Ford Building WOODWARD 5-5930
HERBERT A. CARR, MANAGER

ROBERT S. GAY

Manager

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Suite 900, 645 Griswold St., Detroit, Mich.
23936 Michigan Ave., Dearborn, Mich.
1514 N. Woodward, Royal Oak, Mich.
20879 Mack, Grosse Pointe, Mich.
908 Security Bldg., Windsor, Canada

BILL A. SCHAUER

General Agent

THE PENN MUTUAL LIFE INSURANCE COMPANY

220 West Congress Street Detroit 26, Michigan
WOODWARD 2-7100

RAY H. WERTZ

General Manager

LINCOLN NATIONAL LIFE INSURANCE COMPANY

2840 Guardian Building Tel: WO 1-913*

Is MDRT Getting Too Big? Priebe Asks Unbiased Consideration of Question

Presiding over the Million Dollar Round Table hour at the NALU convention, Arthur F. Priebe, Penn Mutual, Rockford, Ill., the 1956 MDRT chairman, posed the question of the increasing size of the Round Table.

Arthur F. Priebe

The number of members has doubled twice in the last 10 years, Mr. Priebe pointed out, a rate that would mean 4,000-plus members by 1961. He asked for open-minded consideration of the question. As one viewpoint, he quoted from a letter from A. J. Ostheimer

III, Northwestern Mutual, Philadelphia, a past chairman of the MDRT, who would like to see the membership reach 10,000 "because it would indicate clearly that the business of selling life insurance is a real career business and that there are lots of outstanding men in it who are doing a good job of insuring the public."

By ARTHUR F. PRIEBE

It is not easy for a man to write a million dollars of insurance in a year. Some of you may quarrel with that statement. Yet I call your attention to the fact that only a fraction, in fact, less than 1%, of the working agency force of the U.S. do a million a year.

So it isn't easy for a man to sell a million dollars of insurance in

one year, even today . . . otherwise there would be more of them doing it!

But it has always been a feeling of mine that it is even more difficult for a gal to do it. I stand in open-mouthed admiration of the women who do that job. There are 13 of them in the Million Dollar Round Table. After all, they not only deserve your recognition for the sales record they produced, but they do relieve the male monotony of this group!

We have come a long way. You heard me say that about the Round Table, and it is certainly literally true of many of those who came to the Kungsholm meeting.

Last year we had a member who came from Tokyo. The man who came the greatest distance this year

traveled more than 16,000 miles by the time he got back home! That, I submit to you, if you were a part of this executive committee, would be a real challenge. It is a sobering thought . . . for if that guy doesn't get something from our program, that's a helluva long way back home with nothing!

Remember, too, that most of our members pay all of their own expenses to and from the meetings, and at the meetings . . . which for us produces an avidly interested and eager audience.

Perhaps you'd like to know where the others of our foreign membership come from. Most of you know that the original Table was made up of citizens of the United States only; but very quickly, in fact in 1930, that was changed. The membership was expanded to citizens of other countries who could qualify, translated into dollars of course, so the Million Dollar label is authentic no matter where it originates.

Here is the 1956 lineup: Canada, 92; Hawaii, 29; South Africa, 4; Alaska and Japan, each with 2; and Cuba, Mexico and Venezuela with 1 each.

Our 1,881 members from the United States include representation from every state in the Union and the District of Columbia, ranging all the way from 227 in New York state and 190 in California, to Idaho, Maine, North Dakota and South Dakota with one member each.

Come a Long Way Since '26

We've come a long way since 1926, in many respects . . . in the size of our Round Table, principally. But there are certain things we have not changed:

From the very beginning each succeeding executive committee has reaffirmed the belief that the Round Table should remain an organization devoted entirely to the improvement of personal skills. By strict adherence to this policy, the Round Table has uniquely become a mutual development society, with tremendous benefit to the general public and to the institution of life insurance, through the betterment of the quality of service of our members.

Again, I would like to hark back to the fact that we have come a long way. Too far . . . too far, you might say, after considering the fact that our membership has doubled twice in the last 10 years.

It doesn't take a very smart man with a very long pencil a very long time to figure out the projection of that rate of growth would mean a Round Table of 4,000-plus members in 1961. That is the final year of the tenure of office of the newest member of the 1957 executive committee.

But, seriously, have we gotten too big? Or, more accurately phrased, are we getting too big?

I don't know. I don't know whether you do, either. But if you think about the problem and you give it careful thought, you might

(CONTINUED ON PAGE 30)

the
diamond
circle
1956



recognition and responsibility

...both are symbolized when this emblem is displayed by The Diamond Circle Leaders of the Pacific Mutual Big Tree Club...

Recognition — of outstanding accomplishment in helping families to build security through Life Insurance...

Responsibility — in maintaining the high type of representation which will still further advance their own achievement, will inspire their fellow underwriters, and will reflect credit upon the entire Institution of Life Insurance.

To the Membership of the National Association of Life Underwriters, then, Pacific Mutual proudly commends the 1956 Diamond Circle Leaders of the Big Tree Club.

R. Earl Denman
Eugene I. Rappaport, C.L.U.
Robert P. DeOrsey
C. A. Georgiades
Fred L. Hirsch
Arnett Lovejoy
Donald W. Fewell
Wm. Richard Balkin
W. Harlow Edwards
Edgar M. Richardson
Al Robinson
Chas. S. Broh, C.L.U.
Paul L. Fernald
Walter L. Strand
Brice E. Fulghum
C. Porter Hochstadter
Carl A. Daniels
Lewis M. Lasman
Maurice F. Bradley
Sam Eizman
George McCoy
Daniel D. Franzblau
P. T. Abell
Chester Ashford
Ferrell H. Adams
Theo. Hundley
Herbert W. Wiedemann
Wallace J. Champlain
Morris Shapiro
Robert A. Brown
Robert A. Brown, Jr. C.L.U.
Albert F. Hacker
Max B. Jackoway
Erick Gebson
Abram L. Geller
Roger M. Coffin
Jack M. Dew
Clifford E. Strom
Louis A. Arzt
Jack A. Bratton
Carroll D. Bryant
N. A. Herberts

Pacific Mutual
Life Insurance Company

PACIFIC MUTUAL BUILDING • LOS ANGELES 55, CALIF.

GREETINGS to the N. A. L. U. MEETING from DETROIT!

The Motor City Life General Agents and Managers listed below are happy to extend their warmest greetings to the members of the NATIONAL ASSOCIATION of LIFE UNDERWRITERS on the occasion of their 67th annual convention at Washington, D. C.



THE MACCABEES

Great Camp for Michigan

L. F. Ayer, Great Commander

402 Maccabees Building TEL: Temple 1-3435

DETROIT MUTUAL INSURANCE COMPANY

Home Office

RAY E. LARIMER, President

L. W. SCHLEH, Exec. Vice President

JOHN E. JONES, Secretary & Agency Director
8855 Woodward Ave. TEL: TRinity 3-6500

R. G. WAYLETT AGENCY

NORTH AMERICAN LIFE ASSURANCE COMPANY

29th Floor, David Stott Building
TEL: WOODWARD 1-6367

HAROLD S. NORMAN & ASSOCIATES, INC.

General Agent

PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY

2853 Guardian Bldg. Tel: WO 1-3477

F. E. McMAHON

General Agent

AETNA LIFE INSURANCE COMPANY
HARTFORD, CONNECTICUT

9th Floor Guardian Building Detroit 26, Mich.

FRANK W. HOWLAND, C.L.U.

General Agent

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

1680 National Bank Building WOODWARD 3-3060
Serving Detroit since 1855

We invite your brokerage and surplus business. Liberal retention limits or Standard and Sub-standard cases.

FRASER E. POMEROY

General Agent

NEW ENGLAND MUTUAL IN DETROIT

1853 Penobscot Building Tel: WOODWARD 3-0300

LLOYD J. LYNCH, INC.

General Agents

John Hancock
LIFE INSURANCE COMPANY
OF DETROIT, MICHIGAN

Ground Floor, National Bank Building
Telephone: WOODWARD 1-2730 Detroit 26, Mich.

WILLIAM H. KLINGBEIL

Manager

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Detroit Agency

Suite 1421 National Bank Bldg.
Detroit 26, Mich. Tel: WOODWARD 3-3100
Wayne McCarthy, Brokerage Manager

ROLAND D. BENSCOTER

General Agent for Michigan

PROVIDENT MUTUAL LIFE INSURANCE COMPANY

18943 James Couzens Highway Detroit 35, Mich.
Telephone: UNIVERSITY 4-0320

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY OF NEWARK, NEW JERSEY

CHARLES CARROLL OTTO

General Agent

28 W. Adams Detroit 26
Telephone: WOODWARD 3-6306

CHARLES E. STUMB

General Agent

THE CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

Our 108th Year in Detroit

Suite 1521 National Bank Building, Detroit
WOODWARD 1-0922

ARTHUR P. JOHNSON

Agency Manager

THE GREAT WEST LIFE ASSURANCE COMPANY

"THE PROGRESSIVE AGENCY IN DETROIT"
1700 Penobscot Building Detroit 26

Ordinary Cases a Breeze
... Difficult Cases a Specialty

CONTINENTAL ASSURANCE COMPANY

Detroit Branch Office

725 Ford Building WOODWARD 5-5930

HERBERT A. CARR, MANAGER

ROBERT S. GAY

Manager

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Suite 900, 645 Griswold St., Detroit, Mich.
23936 Michigan Ave., Dearborn, Mich.
1514 N. Woodward, Royal Oak, Mich.
20879 Mack, Grosse Pointe, Mich.
908 Security Bldg., Windsor, Canada

BILL A. SCHAUER

General Agent

THE PENN MUTUAL LIFE INSURANCE COMPANY

220 West Congress Street Detroit 26, Michigan
WOODWARD 2-7100

RAY H. WERTZ

General Manager

LINCOLN NATIONAL LIFE INSURANCE COMPANY

2840 Guardian Building Tel: WO 1-9131

The "Lloyd's of

EARL H. WELTZ & COMPANY

For more than
Experience Risk or S

Philadelphia

Philadelphia

from Sept

's of London" idea...

FOR SUB-STANDARD AND SURPLUS LIFE INSURANCE

A separate and independent organization with more than 30 years' experience in this field, we are not employed by—nor in competition with—any life insurance company. We do, however, act as General Agent for *many* companies, using their combined coverage to offer life underwriters and their clients a unique and specialized service.

In effect, we have applied the "Lloyd's of London" idea to the life insurance business and are able to act as a Life Insurance Clearing House to help you with risks that your own company will not accept. In addition, for large cases—either standard or sub-standard—we can supply the surplus amount required beyond your own company's retention.

Each company we represent has been carefully analyzed and selected on the basis of character, proved ability of management, financial strength, high earning power and sound underwriting.

For more than 30 years, we have been helping life underwriters everywhere to obtain Extra Risk or Sub-Standard Life Insurance for those of their clients who may require it.

First Year and Renewal Commissions are paid and guaranteed to you by the company issuing the Policy Contract

OMPANY

Philadelphia National Bank Building

Philadelphia 7, Pa. • Telephone: RIttenhouse 6-7141

From September 23rd to 28th, Mr. Weltz will have headquarters at the Statler Hotel

Best Friends of Social Security Are Those Who Keep It From Getting Out of Hand, Says O'Connor

The best friends of social security are actually those who want to see it expand on only a modest basis, because in this way the social security program will fulfill its true function and not be discredited by excessive costs to taxpayers, said E. H. O'Connor,

managing director of Insurance Economics Society, in his talk at the Thursday general session of the NALU convention.

It is difficult to awaken people to the dangers of unwise expansion of social security and anyone trying to do so usually occupies an

unpopular position. Yet over-expansion, more than anything else, is likely to discredit social security in the eyes of the people and the higher payroll taxes necessary to support over-liberalized benefits can only lead to public disillusionment, Mr. O'Connor warned.

As individuals engaged in the life insurance business you cannot fail



E. H. O'Connor

to be interested in social security, the overall nature of this governmental activity, its trend and direction, its ultimate effects on economy, within which we all must live and produce, our freedoms, our society and last but not least the private life insurance business.

We in the life insurance business have always recognized our obligations. But what do we find in the financing of the OASI system? Over the years, since 1937 up to March of 1956, the old-age and survivors trust fund has collected, in payroll taxes, almost \$40 billion. The treasury has steadily borrowed from the fund the excess of tax receipts over the amount of benefits paid to retire workers, dependents and survivors. The treasury, in return, has deposited government bonds in the trust fund, the interest of which alone since 1937 has totaled \$3.6 billion, all of which we have paid as taxpayers. The interest alone last year amounted to \$475 million.

The total amount in benefits paid up to last March under OASI was \$21 billion. At the end of the same period, the net fund was \$21.6 billion, of which \$21.1 billion was in government bonds deposited by the treasury to cover its borrowings. This money has been spent and these future obligations, the government bonds, will be satisfied from the levy of future taxes upon the economy in general.

It is evident that the dollars collected as social security taxes have not been set aside to be returned. They have gone to pay benefits to the small percentage that have retired and to meet some of the general expenses of government. OASI taxes of present recipients and their former employers have paid, on the average, but 4% of the cost of the benefits they are receiving. The other 96% of the cost is being met out of the taxes of the people who are still working and paying. When you realize that a person can qualify for OASI benefits by the payment of as little as \$85 in payroll taxes for benefits many times greater to be paid year after year, it is obvious the difference must be made up by someone, and that "someone" is tomorrow's taxpayer.

At the present time, OASI is an immature system. Today, 9 out of 10 workers and employers are paying social security taxes, but no more than 5 out of 10 aged are drawing benefits. Since it will be

Let's talk about ^{YOU} selling

WASHINGTON NATIONAL

Group Life



— THE HIGHEST PAYING, MOST PERMANENT AND EASIEST-TO-SERVICE FORM OF COVERAGE YOU HAVE BEEN OFFERED!

✓ Highest Paying

Yes, Group Life is the highest-paying form of Group Coverage—both to you as the agent of record and to the employer. You, as agent, benefit through substantial commissions paid on Group Life business—a coverage which does not require your constant time and attention.

The employer benefits through increased employee efficiency, better employer-employee relations and decreased labor turnover, as well as through dividends which accumulate due to favorable claim experience.

SIGNIFICANT FACTS ABOUT THE COMPANY



In a short span of years, Washington National has become one of the leading multiple-line personal protection institutions writing Life, Accident, Health, Hospitalization, Franchise and Group Insurance. It is in the top 25 percent of companies in Life Insurance in force, and one of the largest legal reserve stock accident and health companies in premium income. Its courteous and efficient service is rendered to more than 3,000,000 policy-owners.

Group Dept.



✓ Most Permanent

After a Group Life plan has been in force for over one year, necessary reserves have been accumulated and favorable experience credits begin to accrue to the employer. It is difficult for a competitor to come in, since credits have been accruing for the employer.

✓ Easiest-to-Service

Group Life coverage does not require constant attention and claim servicing. All Group Life claims are handled by the Home Office Claim Department, and only regular courtesy calls on the group by you, the agent, are necessary. With Group Life coverage you have less service work, thus giving you more time to devote to other lines.



I want to know more...

about selling Group Life Insurance and the marvelous opportunity it presents in increased earnings for me!

☐ Send further details immediately

☐ Have your Field Supervisor contact me at the address shown below

NAME _____

LOCAL ADDRESS _____

CITY _____ ZONE _____ STATE _____

OFFICE PHONE _____

WASHINGTON NATIONAL INSURANCE CO
EVANSTON, ILLINOIS

more than two decades before roughly 9 out of 10 aged will be eligible for benefits, the present law has a graduated rise in the social security taxes. Two decades from now, the tax rates on covered workers and employers will have doubled. It is anyone's guess whether the workers two decades from now will be willing to see a sixth or even an eighth of the fruits of their labor exacted by the federal government to pay social security benefits.

In view of this financial picture, the advocates of expansion refuse to be halted in their desires to provide greater benefits. We had a positive example of such action in the social security amendments of 1956 which were adopted by the Congress in the latter days of the last session and signed into law by the President on Aug. 1. Under these amendments, cash disability benefits will be paid to a covered worker becoming totally and permanently disabled at age 50 or older; widows will receive full benefits at age 62 instead of the traditional 65, and working women and wives of retired workers at age 62 may begin drawing pensions somewhat smaller than they could claim three years later. The act was extended to include lawyers, dentists and other professional groups except doctors of medicine. The one amendment provides for the increase of the employer and employee tax by $\frac{1}{2}$ of 1%, which increase is to be placed in a separate fund for the payment of the disability benefits. The self-employed will continue to pay $1\frac{1}{2}$ times the employee tax rate. Although these amendments were hastily enacted on the floor of the House, the Senate finance committee and particularly its chairman, Sen. Byrd, insisted on holding public hearings. During the hearings, considerable testimony was presented, most of it opposing the very controversial features of total and permanent disability and the lowering of the female retirement age.

Action Adds Further Burdens

This action of the 84th Congress continued the dreary course of piling further burdens, financial as well as administrative, atop a welfare system that already has exceeded the fondest dreams of its founders. Today, we have over 8 million persons receiving OASI benefits. Lowering the eligibility age for women to 62 may create the demand for a similar reduction for men. And if 62, why not 60 or 55? The T & P disability provision about which we have had considerable experience in our own business presents quite a different situation when compared to such demonstrable facts as old age or survivorship. Above all we must recognize that a program covering the total and permanently disabled could easily be developed into the recognition of temporary disability, and the door opened to government competition with private A&S insurance.

As insurance men and women it is time for us to realize that if the government is to fulfill its promises in later years, caution must be exercised in the excessive expansion that has taken place in the act since 1950. Already the payroll levy extracts more from some workers with several dependents than does the income tax. I do believe it is up to us who have a real idea of the potential liabilities to take the situation seriously and

endeavor to guide the future destiny of this system. We in the life insurance business have an obligation to our fellow citizens to bring out all available facts and lay them before the people.

Have Duty to Inform People

As insurance men and women who believe in the individual responsibility of one's own welfare I believe we have a duty to awaken a sleeping people as to what is go-

ing on. People must be informed that the country is mortgaging its future by deferring the true cost of social security payments of our generation to our children's generation. As Congressman Utt of the House ways and means committee wrote in a dissenting report on the 1954 social security amendments, "I wish to state it is my fearful belief that the social security tax is fast shaping up to be-

(CONTINUED ON PAGE 30)

The Selling Contract with Success and Security Built in ... LSF

A sale for commission sake alone has no place in the Lifetime Security Franchise enjoyed by General American Life agents. Under the LSF program, each sale makes today's efforts contribute toward a comfortable retirement.

Instead of the usual 9-year renewal, commissions extend *on through* to provide life-time earnings... plus retirement income without a penny of contribution by agent.

The Lifetime Security Franchise also opens management opportunity right in the successful agent's home city through the multiple agency system. And LSF provides multiple-line selling with ordinary, group, and accident and sickness.

Here is the *career* approach that brings lasting satisfaction through extra benefits.



General American Life Insurance Company

SAINT LOUIS

A MUTUAL LEGAL RESERVE COMPANY

DOWNTOWN AGENCY

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA

Home Office—Newark, N. J.

EUBANK & HENDERSON, *Managers*
40th Floor—40 Wall Street, New York 5
DIgby 4-0040

LOUIS W. SECHTMAN

General Agent

AETNA LIFE INSURANCE COMPANY

Lincoln Building 60 East 42nd Street
New York 17, N. Y.
Murray Hill 2-0200

THE Joseph W. Fox AGENCY

BERKSHIRE LIFE INSURANCE COMPANY
921 Bergen Avenue, Jersey City 6, N. J.

Newark Jersey City
Market 2-2242 JOURNAL Sq. 4-1724
New York: REctor 2-4540

WHEELER H. KING, C.L.U.

General Agent and Associates

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

342 Madison Ave. New York 17, N. Y.
Murray Hill 7-5560
"Just a few steps from Grand Central"

THE SAMONS PRESS

Agency

THE GUARDIAN
LIFE INSURANCE COMPANY

1800 Empire State Building New York 1, N. Y.
CHickering 4-4000

**DAVID A. CARR AGENCY
INC.**

CONTINENTAL ASSURANCE
COMPANY

50 E. 42nd St.
New York 17, N. Y. OXford 7-3424

C. W. SABIN, *Manager*

THE JOHN STREET AGENCY

CONNECTICUT GENERAL LIFE
INSURANCE COMPANY

55 JOHN STREET NEW YORK 38, N. Y.
WOrth 4-6060

GEORGE B. BYRNES

Agency

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

527—5th Ave. New York 17, N. Y.
Murray Hill 7-0800

**HARRY KRUEGER, C.L.U.**

General Agent

THE NORTHWESTERN MUTUAL
LIFE INSURANCE COMPANY

386—4th Avenue New York City
New Ideas—Old Ideals

HAROLD G. PRATT

General Agent

John Hancock
MUTUAL LIFE INSURANCE COMPANY

225 BROADWAY BARclay 7-1070
NEW YORK, N. Y.

Telephone ELdorado 5-1700
DAVID MARKS, JR., C.L.U.

General Agent

NEW ENGLAND MUTUAL
LIFE INSURANCE COMPANY

1 E. 47th STREET NEW YORK 17

THE SCHMIDT AGENCY

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

270 Madison Ave. New York 16, N. Y.
Murray Hill 5-7200

ZAUN-CONROY LIFE AGENCY, INC.

General Agents For

EMPIRE STATE MUTUAL LIFE INS. CO.

Specializing in All Forms of
Association Group Life and A.&H.

CONRAD E. MICHAELS, *MANAGER*

45 John Street New York 38, N. Y.
BEckman 3-2395

DAVID B. FLUEGELMAN, C.L.U.

General Agent

CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY

342 Madison Ave., N. Y. 17, N. Y. MU 7-5035
All Facilities for Brokers and Surplus Writers

KREBS & McWILLIAMS

General Agents

AETNA LIFE INSURANCE COMPANY

151 William Street, New York 38
REctor 2-7900

**THE CHARLES B. KNIGHT
AGENCY, INC.**

General Manager

THE UNION CENTRAL
LIFE INSURANCE COMPANY

225 Broadway, New York 7, N. Y. BARclay 7-4500
CHARLES N. BARTON, C.L.U., *Pres.*
Maurice Ziff, *V. Pres.* Hubert E. Davis, *V. Pres.*

JAMES F. MacGRATH, JR.

General Agent

THE UNITED STATES LIFE
INSURANCE COMPANY

84 WILLIAM STREET NEW YORK 38, N. Y.
HANover 2-7865

THE SULLIVAN AGENCY

FIDELITY MUTUAL LIFE
INSURANCE COMPANY

of Philadelphia

Arthur L. Sullivan Edward J. Emmet
General Agent Supervisor
107 William Street New York 38, N. Y.
WHitehall 4-5926

TO THE N.A.L.U.

AT WASHINGTON

FROM THE

NEW YORK

GENERAL AGENTS & MANAGERS

THE FRASER AGENCY

of

THE CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY

102 Maiden Lane, N. Y. 5 1440 Broadway N. Y. 18
WHitehall 4-0300

M. L. CAMPS

General Agent



Suite 1701, 110 E. 42nd St., New York
OXford 7-2121

THE KEANE AGENCY

Organized Service

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY

Murray Hill 2-7979 37 West 43rd St., N.Y.C.
DONALD C. KEANE, E. LLOYD MALLON and
ROBERT I. CURRAN, JR.

MUrray Hill 7-5632

HAROLD DeMIAN AGENCY

Postal Life Ins. Co.
New York City

SAM P. DAVIS

MANAGER

PHOENIX MUTUAL LIFE INS. CO.

60 East 42nd St., N.Y. MUrray Hill 2-6042
Leading Company Brokerage Agency
for over a decade

George Baronian A. L. Dixon
Office Manager Brokerage Secretary

ROSWELL W. CORWIN, C.L.U.

General Agent

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

233 BROADWAY NEW YORK 7, N. Y.
BEckman 3-6620

ARNOLD SIEGEL AGENCY

UNION MUTUAL LIFE INSURANCE
COMPANY

45 John Street New York City
Arnold Siegel, Manager
Bret Elliott, Supervisor
WOrth 4-2733

THE MACCABEES

Metropolitan Agency

60 EAST 42nd St. NEW YORK CITY
MU 2-1630



A. J. JOHANSEN
and ASSOCIATES

NORTHWESTERN
MUTUAL LIFE
INSURANCE
COMPANY

74 Trinity Place
New York City

72 Hempstead Ave.
Hempstead, N. Y.

MICHAEL J. DENDA

Resident Vice President

UNION MUTUAL LIFE INSURANCE
COMPANY

521 5th AVENUE NEW YORK 17, N. Y.
MUrray Hill 7-2355
Life, Group, Non-Cancellable, Sickness and Accident

JOHN M. DEMAREST

General Agent

MANHATTAN LIFE INSURANCE CO.
Complete Brokerage Coverage

BOWling Green 9-5570
107 William St. New York 38, N. Y.

RUSSELL E. LARKIN

Manager

CONNECTICUT GENERAL LIFE
INSURANCE CO. OF HARTFORD

225 BROADWAY, N. Y. 7, N. Y.
REctor 2-6630



THE MUTUAL
BENEFIT LIFE
INSURANCE
COMPANY

ARTHUR V. YOUNGMAN

General Agent
135 Broadway, New York City REctor 2-8666

RAYMOND F. THORNE, C.L.U.

General Agent

Over 100 Years of Security and Service
BERKSHIRE LIFE INSURANCE CO.

225 BROADWAY, N. Y. 7, N. Y.
BArcley 7-3836

Priebe Comments on Size of MDRT

(CONTINUED FROM PAGE 23)

come up with a pronounced conviction. I wonder if you would mind putting aside your prejudices, please, this is too important for that. I would like to have you listen to what one man says about this growth:

My quote happens to come from Al Ostheimer, a past chairman of the Round Table, who is a tower of strength on our by-laws committee. May I quote you from his letter:

"For your information and for what it's worth, I have told Art and the other recent past chairmen—whenever the subject of our long range membership growth was under discussion—that it's quite conceivable that our membership may rise to 5,000 or 10,000 in the future, but I can't see why this is in any way bad or harmful or why we should panic at the thought.

"If our qualifying rules are proper and reasonably tight, I'd be tickled to death to have 10,000 members. Why? Because it would indicate clearly that the business of selling life insurance is a real career business and that there are lots of outstanding men in it who are doing a good job in insuring the public.

Prestige Organization

"How could we possibly make a greater contribution to the prestige of the life insurance business than to have the biggest possible organization of legitimate large producers who qualify under darn restrictive but quite reasonable requirements?"

We have come a long way, and that is the last time I am going to say that.

One other thing hasn't changed: Back in 1937 when those 32 guys sat down around the Round Table, literally, I think the thing they said to one another was, "How do you

do this? When do you do that? Why do you do this thus and so?" Those questions are the same this year. There are different subjects, of course, but you have the same appetite for picking the other guy's brain, for mastering his skills, and in turn presenting your own.

So our program this year, so capably assembled by Howard Goldman and his committee, was geared to that self-same thought that has permeated the thinking of this organization for the last 30 years . . . that is, the improvement of your personal skill.

So we want to share that improvement with you today, as is our custom on this Round Table hour.

Two from Shenandoah Life

The home office of Shenandoah Life is represented at the convention by A. J. Christensen and Howard Kelley, superintendents of agencies.

Says Social Security Shouldn't Get out of Hand

(CONTINUED FROM PAGE 27)

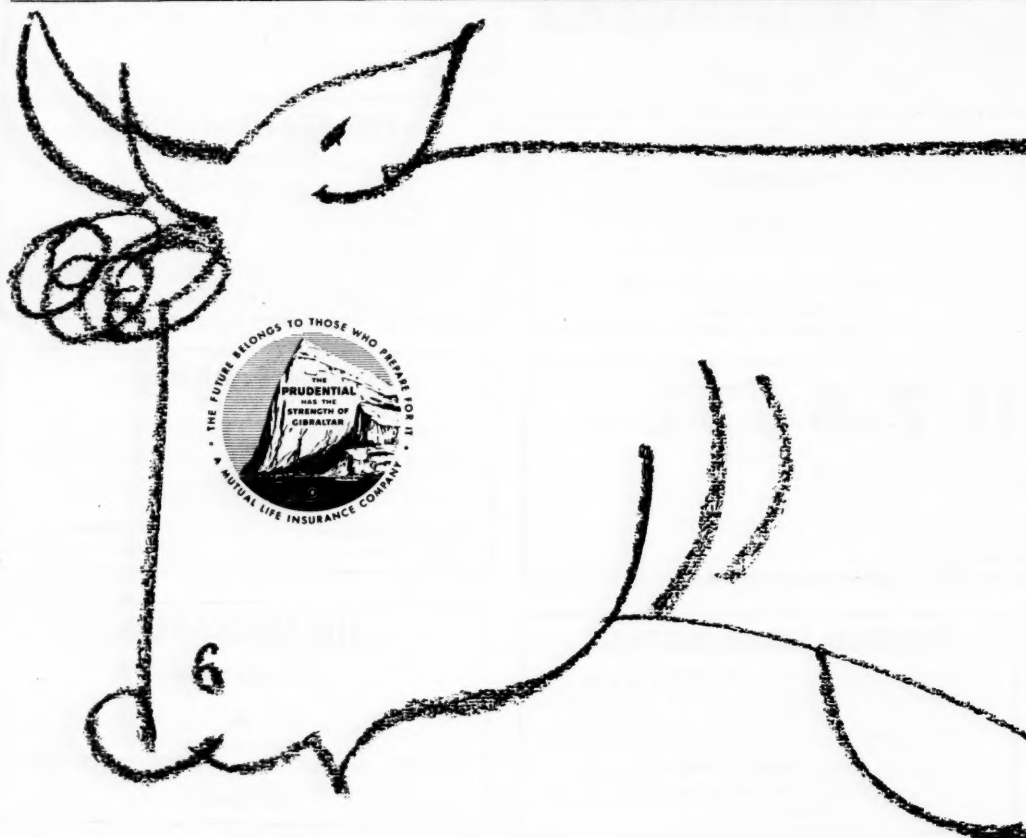
coming a secondary graduated income tax upon wages and salaries, a tax which, when its full impact is felt, will shake our social security system to its very foundation."

Our people have been led to believe that social security is an insurance system run by the government which guarantees most American families against loss of income by reason of old age or the death of the family breadwinner; that the benefits are backed by a huge reserve fund; that it is not relief, but a right, etc. We must remember that Congress has the right to change the act at any time. They changed its original purpose in 1939, and every two years since 1950 they have expanded the benefits. They can continue to do so. There is no guarantee that what social security promises today, it will deliver tomorrow. It is not insurance as we know it and practice it. There is no policy, no contract, no relation between the so-called premiums, which are really taxes, and the benefits.

You, as insurance men and women, due to your training and knowledge, have an obligation and a duty to the people of this country to make the facts known to them so that they in turn can urge Congress to take the proper corrective steps toward placing the social security system on some kind of a sound and sensible basis.

I believe the time has arrived for us who have been helping people achieve security and financial independence to direct our efforts to the task of giving the facts and developing a wide public understanding of social security which will have effective restraint on further political liberalization of benefits.

After spending many years endeavoring to awaken the American people as to the pitfalls of a social security system, based on the experience in European countries, I am ready to admit that a person endeavoring to point out the hazards usually occupies an unpopular position. However, over-expansion, more than anything else, is likely to discredit social security in the eyes of the American people. The higher payroll taxes necessary to support over-liberalized benefits can only lead to public disillusionment. On the other hand, if the system can be kept on a modest protective basis it may yield increasing public satisfaction with the passing of time. In the end, therefore, there is reason to believe that those who follow the logical path in opposing continuing expansion and liberalization of benefits can be considered the best friends of social security. Let us not forget that our country's future integrity is at stake. Its preservation, because of the important place we occupy in our economic system, is your job and mine.



Bull's eye again

Top-scorers five times in a row. That's a record for any company to aim at, and for agents to achieve. And this year, as they've done for four consecutive years, Prudential Agents have made it possible for us to lead all companies in the number of National Quality Award qualifiers. In '56 we've hit a new high . . . with 1,689 "Pru" representatives winning a National Quality Award. A hearty pat on the back and a hefty handshake to our Prudential Agents . . . and to all other NQA winners. You

are the folks that write the kind of insurance that stays "sold" . . . the kind of insurance that best fits public needs . . . and contributes to the tradition of service our entire industry is built on.

You'll enjoy YOU ARE THERE, Sundays, CBS-TV

THE PRUDENTIAL
INSURANCE COMPANY OF AMERICA

THESE SAN FRANCISCO GENERAL AGENTS AND MANAGERS EXTEND BEST WISHES TO THE 67th ANNUAL N. A. L. U. MEETING...



CHARLES E. ST. LOUIS MULTIPLE AGENCIES GENERAL AMERICAN LIFE INSURANCE CO.

District Managers
W. E. STEGEMAN—CHARLES B. STORCH, C.L.U.
JOHN R. GILBERT, GROUP MGR.
46 Kearny St. Sutter 1-0733

DAVID S. KAMP

General Agent
HARRY W. DAY, Asst. Gen. Agent
Brokerage Service
NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY
EXbrook 2-0888
333 Pine Street San Francisco 4

THE E. A. ELLIS AGENCY

PACIFIC MUTUAL
LIFE INSURANCE COMPANY
DOuglas 2-7700
610 California St. San Francisco 8

MARSHALL GOODMANSON

Manager
PROVIDENT LIFE AND ACCIDENT
INSURANCE COMPANY
Sutter 1-7903
400 Russ Bldg. San Francisco

J. DENNY NELSON

General Agent
AETNA LIFE INSURANCE CO.
Telephone YUkon 2-4040
220 Montgomery St. — San Francisco 4

MANUFACTURERS LIFE INSURANCE CO.

W. D. OBERHOLTZER, Branch Mgr.
NEIL BALL, Brokerage Mgr.
DOuglas 2-6686
111 Sutter St. San Francisco

LOUIS L. HIRSCHORN—CHARLES JOSEPH HIRSCHORN & JOSEPH

General Agents
UNITED INSURANCE CO. OF AMERICA
Sutter 1-1940
275 Bush Street San Francisco 4

DON L. TENNEY

Manager
CONTINENTAL ASSURANCE COMPANY
James D. Thatcher, Ass't. Mgr.
YUkon 2-3420
433 California St. San Francisco

CHARLES S. BROWNING

Manager
ERIC W. ASHLEY, Brokerage Supervisor
THE CANADA LIFE ASSURANCE
COMPANY
Sutter 1-4860
200 Bush St. San Francisco 4

GEORGE A. LANDIS

State Manager
THE FRANKLIN LIFE INSURANCE CO.
YUkon 2-6130
353 Sacramento St. San Francisco

EDWARD E. KELLER, C.L.U.

General Agent
THE LINCOLN NATIONAL LIFE
INSURANCE CO.
DOuglas 2-1834
38 Sansome St. San Francisco 4

MARK BARICHIEVICH

General Agent
OCCIDENTAL LIFE INSURANCE CO.
HARRY FREEMAN, Agency Manager
DOuglas 2-2912
625 Market Street — San Francisco 5

D. M. BROVAN — C. D. BROVAN

General Agents
UNITED BENEFIT LIFE
INSURANCE CO.
YUkon 2-4200
One Eleven Sutter St. San Francisco 4

BROKERAGE or SURPLUS GREAT-WEST LIFE ASSURANCE COMPANY

Sayre, Toso & Schaefer, Inc.
MELVIN M. MILLER, BROKERAGE MANAGER
GARfield 1-0817
Suite 1301-Russ Bldg. San Francisco 4

B. W. WALKER

General Manager
NEW YORK LIFE
INSURANCE COMPANY
DOuglas 2-6820
1 Montgomery St. San Francisco 4

WALTER W. MCGUIRE Manager THE UNION CENTRAL LIFE INSURANCE COMPANY

Unusual Brokerage Policies
EXbrook 2-0082
582 Market St. San Francisco

HERBERT W. HUMBER, C.L.U.

Associate General Agent
William G. Tuller, Agcy. Supvr.
MURRELL BROTHERS AGENCY
THE MUTUAL BENEFIT LIFE INSURANCE CO.
Sutter 1-5520
Suite 620, 340 Market St. San Francisco 11

H. H. HARRISON

General Agent
MUTUAL TRUST LIFE
INSURANCE COMPANY
YUkon 6-5374
870 Market St. San Francisco

Fitzhugh Traylor Becomes American Society President

Fitzhugh Traylor, manager of Equitable Society at Indianapolis since 1943, became president of American Society at the annual membership breakfast meeting on Wednesday. He succeeds George Neitlich, manager of Metropolitan Life in suburban Boston.



Fitzhugh Traylor

Eugene C. De Vol, general agent of National Life of Vermont in Philadelphia, and William H. Andrews Jr., manager of Jefferson Standard at Greensboro, became 1st and 2nd vice-president, respectively. Both moved up to the next higher post, in line with tradition.

It was announced that Robert L. Woods, general agent of Massachusetts Mutual in Los Angeles, had been elected secretary by the customary mail ballot.

Frederick W. Floyd, manager of Life of Virginia in Philadelphia, was reelected treasurer.

New directors representing the society's five geographical divisions are Walter L. Downing, as-

sociate general agent of New England Life in Boston; William L. Spencer, Equitable Society, Youngstown, O.; H. Cochran Fisher, Aetna Life, Washington; C. William Scott, associate general agent of Massachusetts Mutual in Kansas City, and Paul A. Wallace, Northwestern Mutual, Seattle.

Fritz A. Lichtenberg Jr., Massachusetts Mutual, Columbus, O., joined the board to fill the unexpired term of the late Sid Marean, independent, Cincinnati.

American Society membership has climbed to 3,984, more than double that of seven years ago. The 100th local CLU chapter now is being organized.

Mr. Neitlich was presented a silver pitcher for his service as president and the part he has played in society activities in recent years.

Mr. Traylor, a former school teacher, joined Equitable Society 34 years ago and rose to manager in Boston. He also served as a field instructor for the home office.

Mr. Traylor has been president of Boston Assn. of Life Underwriters, Boston General Agents & Managers Assn. and Indianapolis General Agents & Managers Assn. He has been director of Indianapo-

lis Assn. of Life Underwriters and vice-president of Indiana Assn. of Life Underwriters. He was president of Boston CLU chapter in 1934-36.

He was first president of Equitable CLU Assn., chairman of the first CLU institute at University of Connecticut in 1946, and a member of the founding committee of the Purdue institute.

Mr. Traylor received his CLU designation in 1930 after taking all five examinations the same year. He received a certificate in life insurance agency management from American College in 1934.

Here for Provident L. & A.

On hand at the convention for the home office of Provident Life & Accident is Sam E. Miles, vice-president and secretary.

On Hand from Colonial Life

Eric G. Johnson, vice-president, is representing the home office of Colonial Life at the convention.

From Bankers Life of Nebraska

E. S. Wescott, director of A&S sales, is representing the home office of Bankers Life of Nebraska.

Representing Protective Life

Robert W. DePau Jr., supervisor of agencies, is here for the home office of Protective Life of Birmingham.

Here for Continental American

Here from the home office of Continental American Life are Max S. Bell, vice-president, and Patrick H. Yeoman, superintendent of agencies.

Attending for Midland Mutual

Russell S. Moore, manager of agencies, is representing the home office of Midland Mutual Life at the convention.

Here for Occidental of N. C.

Micou F. Browne, vice-president in charge of agencies, and David D. East, superintendent of agencies, are here for the home office of Occidental Life of Raleigh.

Gulf Life Representatives

Marvin D. Miller and Louis T. Bates, assistant agency vice-presidents, are attending the convention as representatives of Gulf Life's home office.

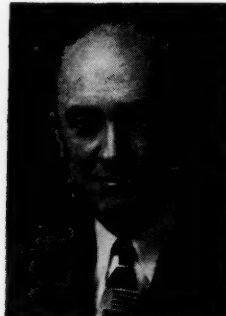
Here for Standard Life of Ind.

H. J. Noel, agency superintendent; J. D. Clark, field supervisor, and H. V. Wade Jr. of the agency department are representing the office of Standard Life of Indianapolis at the convention.

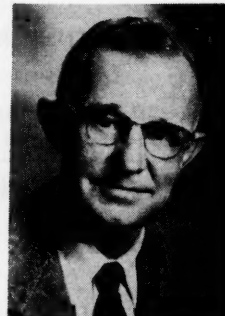
Greetings!

from
Cal-Western Life
"MILLIONAIRES"

to
The 1956 NALU
CONVENTION!

GRANT TAGGART
Cowley, Wyoming

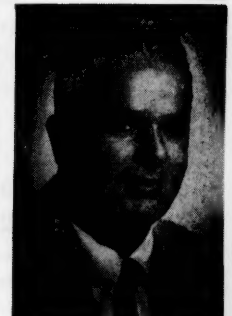
Life Member, Past Chairman, Million Dollar Round Table and Past President, NALU.

BRYAN C. STANGLE
Seattle, Wash.

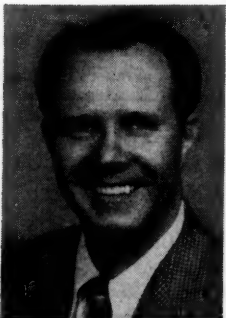
Life Member

ALFRED E. GAUMER
Red Bluff, Calif.

Life Member

J. J. (HAP) HALLAHAN
Dallas, Texas

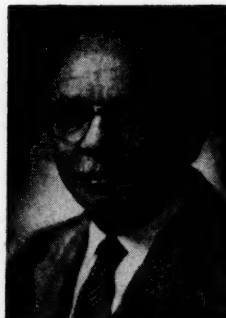
Life Member

J. EDGAR NELSON
Los Angeles, Calif.

Life Member

R. BRUCE PARKER
San Antonio, Texas

Life Member

LOUIS JAFFE
Los Angeles, Calif.

1956 Qualifying Member

R. O. TROM, C.L.U.
Los Angeles, Calif.

1956 Qualifying Member

CALIFORNIA-WESTERN STATES LIFE INSURANCE COMPANY

HOME OFFICE: SACRAMENTO

Reviews Sales Sessions of MDRT Cruise

(CONTINUED FROM PAGE 4)

tire field force of that company, as an integral part of its sales promotion material.

3. He is one of my biggest competitors in my home town and I know from personal experience—some of it bitter—the power he packs.

What does he do? His procedure is simple, direct, and standardized to the nth degree. He uses the usual prospecting procedures of personal observation and referred leads, but says his most profitable source of prospecting for corporation life insurance is a subscription to Dun & Bradstreet service.

Whenever he sees in the newspapers, or learns from any source, of any internal changes in management or ownership of the corporation, of any expansion program, of unusually good profits, or the formation of a new corporation, or when passing an unfamiliar smoke stack, he requests Dun & Bradstreet to send him a report.

From this report, he generally gets a brief history of the corporation, names of officers and directors, methods of operation; most important, a balance sheet, sometimes a profit and loss statement, and the name of the firm's accountant. From the balance sheet, he may also determine whether business life insurance is already owned, since many corporations include that information in their financial reports. The report may also show whether an officer or director is interested in some other corporation. If so, a report on that particular corporation is also requested—resulting in endless-chain prospecting in this market.

You may also be interested to know that Dun & Bradstreet will automatically mail new reports published on a corporation for one year after the initial request, and then offer a continuous reporting service if requested. In this way, a great many of the financial changes in which Julian is interested are automatically brought to his attention. Julian says this serv-

ice alone has solved his prospecting problem!

So much for his prospecting. The next step is a fact-finding interview with the top man, primarily for the two-fold purpose of confirming information already developed from the Dun & Bradstreet service, and to see if there already exists an interest in some type of coverage.

Talks About Proposals

Now a few words about his proposal . . . which is not limited to a few words, by any means. It is a 12-page affair in its entirety and is designed, he frankly admits, as a "catch-all" device with which to probe for the prospect's main interest. At the same time it packs a respect-commanding description in detail of how business life insurance accomplishes the five main purposes which I discussed earlier, the need for it, its advantages, et cetera, all with heavy sprinkling of tax information and whenever a 1-page proposal is indicated, that is it. This last page is entitled "WHICH Mistake Will YOU Make?" and says this: "Successful business men are making decisions every day—and, in doing so, always attempt to minimize any mistakes that could be made in business judgment. If a company insures a key man and he lives—and thus, in a sense, it proves to be a mistake, the premiums less the cash value, or the net cost if surrendered, is a comparatively small mistake. However, if the company fails to insure him and the key man dies, that is indeed a big mistake." There follows a typical cost illustration showing the net non-taxable additions to surplus in event of death in various years and the amount of gross profits required before taxes to equal these additions.

A lot of work? Yes, definitely. Does it pay off for him? Obviously.

Now, very briefly, a few sales slants from some of the other hosts which deal with some one or more of the packages we have been discussing:

Does the "Split Dollar" approach continue to account for an increasing volume of sales in the business insurance market? William T. Earls, of Cincinnati, past chairman of the Million Dollar Round Table, says it does in his agency.

He goes on to say: "Like most really great sales concepts, the split-dollar plan is really a very simple sales idea. The only possible cause for confusion lies in the presentation of the proposal or the mechanics in working it out. If you passed addition and subtraction in school, it should not take more than five minutes to understand a proposal and if there's anyone in your home office who is

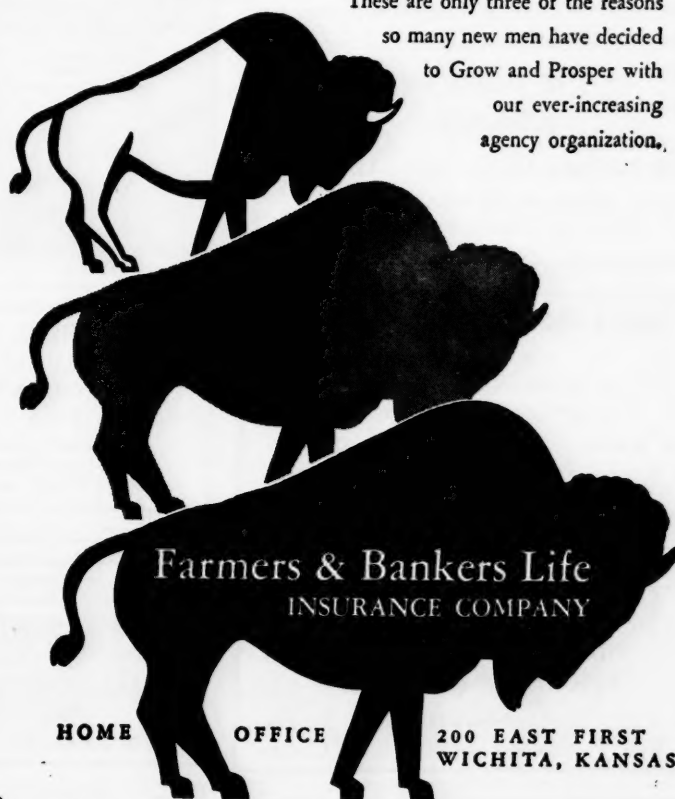
(CONTINUED ON PAGE 36)

Growing IN STRENGTH . . . \$112.85 in assets for every \$100 of liability.

Growing IN SIZE . . . now in the top 25% of all life insurance companies . . . and growing larger every day.

Growing IN LEADERSHIP . . . with advanced quality, modern contracts . . . and the F & B Bonus Booster Plan that starts the agent on a career of solid, lifetime success.

These are only three of the reasons so many new men have decided to Grow and Prosper with our ever-increasing agency organization.



Of security...

By security...

And for security...

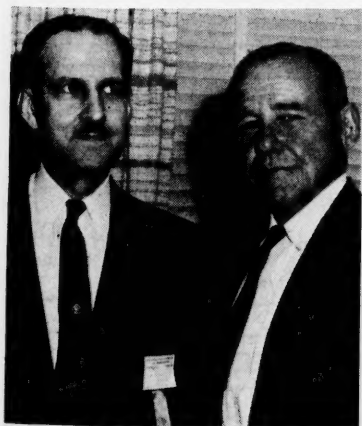
It takes a lot of salesmanship to make every sale of security, even though the demand is overwhelming! Here every contract is backed by Security . . . and that's when you really begin to sell for security.

(The address is Lincoln—not Gettysburg.)

—Ask E. A. Frerichs about a...

"PLAN WITH SECURITY"

THE
SECURITY MUTUAL LIFE
INSURANCE COMPANY
LINCOLN, NEBRASKA



Two directors of GAMC: Walter G. Gastil, Connecticut General, Los Angeles, (left) and Freeman J. Wood, Lincoln National Life, Chicago.

Your Brokerage and Surplus Business Solicited
All Forms of Ordinary Group and Pension and
Profit-Sharing Plans

Non-Cancellable Accident and Health
JOSHUA B. GLASSER ASSOCIATES

General Agents
CONTINENTAL ASSURANCE COMPANY
Illinois Leading Life Insurance Company

39 South LaSalle Street
Chicago 3, Illinois CEntral 6-1296

FREEMAN J. WOOD

General Agent

LINCOLN NATIONAL LIFE INS. CO.

208 S. LaSalle St. Tel. CEntral 6-1393

An Agency Well Equipped To
Handle Brokerage Business

THE HUNKEN AGENCY

THE CONNECTICUT MUTUAL LIFE

Telephone CEntral 6-5700
One North LaSalle Street, Chicago

THE SWANSON AGENCY

General Agents

NEW ENGLAND MUTUAL
LIFE INSURANCE CO.

H. G. Swanson Bob Swanson
3300 Board of Trade Bldg. Chicago 4
HA 7-8090

JAMES H. BRENNAN

General Agent

FIDELITY MUTUAL LIFE
INSURANCE COMPANY

RAndolph 6-2813
111 West Washington Chicago

BUD JOHNSON

General Agent

NATIONAL LIFE OF VERMONT

208 S. LaSalle Street Chicago 4
CEntral 6-2500

Life - Substandard - Wholesale - Group
Accident and Sickness - Hospitalization
Group Pensions - Pension Trust

FRED. S. JAMES & CO.

New York INSURANCE Philadelphia
Pittsburgh Since 1818 San Francisco
Buffalo One N. LaSalle Street Seattle
Los Angeles Chicago 2, Illinois Portland
Telephone—Financial 6-3000

YOUNGBERG-CARLSON CO.

General Agents

CONTINENTAL ASSURANCE CO.

Non-Cancellable Accident and Health
SAM LELAND, MGR.

201 S. LaSalle St. Chicago 4 CEntral 6-4477
621 S. Spring St. Los Angeles 14 TRinity 6681
"Unexcelled Service in all Lines of Insurance"

CHICAGO'S LEADING EXTEND CORDIAL GREETINGS TO THE



For Service—Information—Field Assistance

THE EARL C. JORDAN AGENCY

MASSACHUSETTS MUTUAL LIFE
INSURANCE COMPANY

Suite 1616 One N. LaSalle Bldg. RA 6-0060
Earl C. Jordan, General Agent
Gerry D. Scott, Jr., Ass't. Gen. Agt.
Tom S. Stein, Ass't. Gen. Agt.

FRANK G. LOTITO

General Agent

LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Suite 710 105 S. LaSalle St.
CEntral 6-5631

Estate Planning and Business
Insurance Service to Brokers
We specialize in the "hard to handle" cases

HERBERT GEIST, C.L.U.

General Agent

MASSACHUSETTS MUTUAL LIFE
INSURANCE COMPANY

175 W. Jackson Blvd. HArrison 7-1266

RAYMOND J. WIESE AGENCY

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY

One North LaSalle St. Chicago, Ill.
Telephone: Financial 6-0915

MAGINNIS & ASSOCIATES INC.

Insurance Consultants

Specialist in Association & Trade
Group Insurance Plans
"Coast to Coast Service"

Accident & Sickness * Retirement * Life * Liability
Brokerage Business Accepted
327 So. LaSalle St. HArrison 7-1441

CHARLES E. BUTLER

General Agent

FIDELITY MUTUAL LIFE
INSURANCE COMPANY

Tel. HArrison 7-3255
1440 Board of Trade Bldg. Chicago

RAPPAPORT AGENCY

General Agents

PACIFIC MUTUAL LIFE

Earle S. Rappaport, C.L.U.
Eugene Rappaport, C.L.U.
141 W. Jackson Blvd. HArrison 7-7244
Chicago

R. S. EDWARDS & CO.

General Agents

Rockwood S. Edwards
A. D. Stein

AETNA LIFE INSURANCE COMPANY
120 S. LaSalle St. Chicago, Illinois
Telephone ANdover 3-1920

PAUL W. COOK, C.L.U.

General Agent

Lorraine Sinton, C.L.U.
Sales Production Manager

THE MUTUAL BENEFIT
LIFE INSURANCE COMPANY

One North LaSalle St. RAndolph 6-3444
Chicago 2

THE STEGER AGENCY

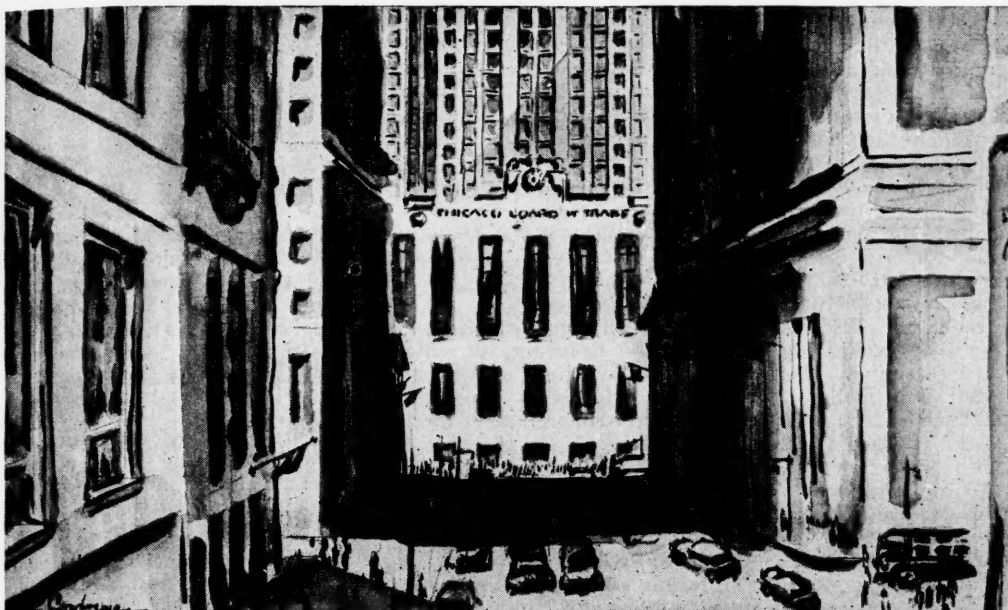
General Agents

NEW ENGLAND MUTUAL
LIFE INSURANCE CO.

Russell W. Steger, General Agent
Malcolm G. Jeffris, Brokerage Mgr.
2140 Field Bldg. Tel: STate 2-4563

LIFE OFFICES

N. A. L. U. 67th ANNUAL CONVENTION



GEORGE C. BEHRNS

General Agent

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

Oldest New England Mutual
Life Agency in Chicago

105 W. Adams St. Chicago
CEntral 6-1300

NOTHHELPER-LECK AGENCY

General Agents

STATE MUTUAL LIFE INSURANCE CO.

John B. Nothhelper Walter C. Leck
309 W. Jackson Blvd. Chicago 6, Ill.
Harrison 7-4110

THE A. D. CROW AGENCY

THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY

CEntal 6-8013

Suite 821 208 S. LaSalle St.
Chicago

HOWARD W. REYNOLDS AGENCY

MUTUAL TRUST LIFE
INSURANCE COMPANY

Suite 1812 105 W. Adams CE 6-1880
Howard W. Reynolds, General Agent

One Stop Service for your Surplus and
Substandard Business

If we can't issue it—we tell you who will

JOHN W. LAWRENCE, C.L.U.

General Agent

MASSACHUSETTS MUTUAL LIFE
INSURANCE COMPANY

135 S. LaSalle St. ANDover 3-1820
Chicago, Illinois

THE LIFE INSURANCE COMPANY
OF VIRGINIA

J. JEROME MILLER AGENCY

Suite 776 208 S. LaSalle St.
ANDover 3-6876

FREDERICK I. SMITH

General Agents

"Brokerage Exclusively"

THE MANHATTAN LIFE INSURANCE
COMPANY OF NEW YORK

CEntal 6-8648
One N. LaSalle Street Chicago

WHEELER TRACY, C.L.U.

General Manager

Assistant Managers

Patrick Higgins Philip M. Tuzi
Brokerage Supervisor, Louis B. Carpenter
NEW YORK LIFE INSURANCE COMPANY
Rm. 1000 39 S. LaSalle St. Chicago
STate 2-4603

FRANKLIN LIFE

Chicago Division

Profitable Agency
Opportunities Available

Regional Office

120 S. LaSalle St. Chicago

F. J. BUDINGER

REGIONAL SALES DIRECTOR

HARRY NEILD

Branch Manager

MANUFACTURERS LIFE INS. CO.

Lee Vranek, Brokerage Mgr.

CEntal 6-9040
Suite 505, One N. LaSalle Chicago 3

GEORGE H. GRUENDEL, C.L.U.

General Agent

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

TOM ARNISON 419 Gas & Electric Bldg.
209 So. LaSalle—Chicago Rockford, Ill.
RANDolph 6-6514 ROCKford 2-4252

O. EMBRY MOATS AGENCY MUTUAL OF NEW YORK

O. Embry Moats, C.L.U., Mgr.
Howard B. Fischer, Brokerage Supv.

Telephone CEntal 6-7400

Suite 605 38 S. Dearborn St.
Chicago

MOORE, CASE, LYMAN & HUBBARD

General Agents

John Hancock
MUTUAL LIFE INSURANCE COMPANY

C. T. Rothermel, Jr., C.L.U.
Joe Moody - Gene O'Reilly
175 W. Jackson Blvd. Chicago

HAMILTON FERGUSON

General Agent

OCCIDENTAL LIFE
INSURANCE COMPANY

"Brokerage Exclusively"—

Since 1943

Suite 2049 135 S. LaSalle St.
ANDover 3-1883

W. A. ALEXANDER & COMPANY

General Agents of

THE PENN MUTUAL
LIFE INSURANCE COMPANY

Wade Fetzer, Jr., C.L.U. John H. Sherman
135 South LaSalle St. FRanklin 2-7300
Chicago

John Hancock
MUTUAL LIFE INSURANCE COMPANY

BEAN AND JONES, INC.

General Agent

39 South LaSalle Street
Telephone RANDolph 6-9336
Chicago, Ill.

PHOENIX MUTUAL LIFE INSURANCE CO. LA SALLE AGENCY

Robert K. Schott, C.L.U., Mgr.

Frederick B. Cooper II, C.L.U., Brokerage Supv.
Telephone RANDolph 6-1194
Suite 1160 208 S. LaSalle St.
Chicago 4, Illinois

CHICAGO BRANCH OFFICE CONTINENTAL ASSURANCE CO.

J. GORDON MICHAELS, MGR.

175 W. Jackson Blvd. WAbash 2-3410
Chicago

Reviews Sales Sessions of MDRT Cruise

(CONTINUED FROM PAGE 33)

reasonably cooperative, and of course you must recognize that in some no such animal exists, the mechanics for working out the split-dollar arrangement can be readily coordinated."

The mechanics to which he refers are, of course, the endorsement of the policy separating the protection from the investment element of the policy and the agreement between employer and employee.

Bill says the split-dollar plan is particularly useful as a means of funding non-qualified employee benefit plans involving death benefits, deferred compensation, and pension payments.

It is also a long awaited answer to that familiar stymie in selling insurance to fund sole proprietorship buy and sell agreements: Ever sell this idea to the proprietor and have it fizzle out because the employees couldn't find the money for the premiums? In split-dollar you have the answer. The proprietor puts up the cash value—which incidentally may be earmarked as a retirement fund for himself—and the employees pay only the very small cost of the protection... "a very natural solution to this very difficult problem."

Split-dollar also serves as an ideal means of providing insur-

ance protection for younger members in a family corporation, who being heir apparent to running the corporation, are usually living on a pretty high standard and are underinsured. Bill Earls says: "It is a natural situation to present to Dad to get him to help the younger son or sons, with the aid of the corporation, to help themselves."

Now, let's step from the forward smoking room down the passageway and into the forward verandah on the starboard where Dick Katz, Massachusetts Mutual's company leader for 1955, is holding forth on that fascinating subject: "How to Effectively Use 'Locked-in' Corporation Dollars."

Oddly enough, Dick Katz says he doesn't sell split-dollar plans at all as such. You can be sure, however, that he does sell a lot of it under a title all his own. He calls it the "executive cooperative plan". Do you like it? This is a perfect example of what we are looking for in having these high-powered leaders of our business tell us of their own unique interpretation of sales ideas.

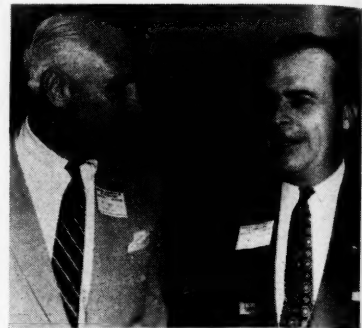
Another unique application of an old sales tool which Dick uses is disability income on key-man insurance to provide disability benefits for the disabled executive. The corporation gets the benefit of

waived premiums and collects the income each month tax-free. The corporation then pays out the income to the disabled executive, who receives it income tax-free! How's that for effectively using "locked-in" corporation dollars?

Just opposite Dick Katz on the port side, Nate Burgheim, Northwestern Mutual, St. Louis, sets his pitch on the subject, "Latching on to the Corporate Dollar." His approach is as effective as it is fundamental. A series of opening questions are designed to disturb the corporate prospect. A listing of what insurance can do for the corporate dollar provide the pegs on which to hang the sale.

About midship, just off the main lounge, Imy Brewster, of Pittsburgh, executive field underwriter for Phoenix Mutual, is captivating his audience with treatment of the subject, "Key Man Coverages." One of his most motivating ideas deals with the use of key-man indemnification as a fund to provide recruiting expense for key-man replacement. According to Imy, recruiting for a top executive can be pretty expensive. He points out that one formula for compensation used by a prominent dealer in executive talent is 20% of the recruited executive's first year base salary plus expenses, or \$2,500, whichever is greater. Does this suggest anything to you?

If you have any doubts about the existence of this kind of traf-

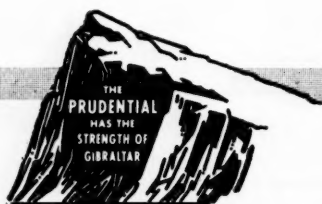


Getting together after the first GAMC board session are W. Eugene Hays, left, New England Life, Boston, and Tom Lyle Mitchell, Mutual of New York, Birmingham, a director.

fic, Imy suggests that you review the April "Fortune" magazine article entitled "The Worst Shortage in Business" and the February, 1956, *Management Record* article called, "What About Executive Recruiters?"

Let's hop over now to Vincent Miletti's cabin and lend an attentive ear to this Northwestern Mutual leader. Vince's compelling ideas on "The Valuation Clause In Restrictive Agreements" have produced several repeat performance invitations for him to appear on Million Dollar Round Table programs.

Vince poses the opportunity for



STRENGTH and VISION

Mean top professional service to Mid-America Brokers

ILLINOIS

CHICAGO

DON K. ALFORD, C.L.U.
& Associates
Suite 870, 141 W. Jackson Blvd.
WABash 2-5311

MATURIN B. BAY, C.L.U.
& Associates
Suite 1246, 135 S. LaSalle St.
CEntral 6-3930

WILLIAM G. LOVENTHAL, C.L.U.
& Associates
Suite 240, 141 W. Jackson Blvd.
HArrison 7-7225

ROBERT J. MURPHY, C.L.U.
& Associates
Suite A-1820, 175 W. Jackson Blvd.
HArrison 7-2500

CHAMPAIGN-URBANA

G. RICHARD CAUGHRON, Manager
University Agency
810A West Springfield Avenue
CHampaign 6-2587

EVANSTON

ALFRED A. GLIEMI
& Associates
Suite 342, 1580 Sherman Avenue
DAvis 8-4495

PEORIA

ROBERT B. PLESSINGER, Manager
Central Illinois Agency
Room 200-A
Comm'l National Bank Building
Peoria 6-6111

ROCKFORD

HOWARD E. SHAW, Manager
Northern Illinois Agency
227 North Church Street
Rockford 8-3771

INDIANA

INDIANAPOLIS

G. WILLIAM EPPLEY, Manager
Central Indiana Agency
2128 N. Meridian Street
WAlnut 5-8941

SOUTH BEND

WEYMOUTH FOGELBERG, Manager
Northern Indiana Agency
1320 Mishawaka Avenue
ATlantic 8-4774

The PRUDENTIAL
INSURANCE COMPANY OF AMERICA
MID-AMERICA HOME OFFICE
Prudential Plaza Chicago 1, Illinois

service and sales to your client in this question: "Would you today advise your clients to enter into a contract to buy a piece of property or a business at some future date, the date to be selected by the seller without advance notice to the buyer at a price arrived at today or based on a formula established today?" If you did so advise, he questions further: "Wouldn't sound business judgment dictate that he keep abreast at all times of the price he may be obliged to pay, or the price his family will receive?"

Vince thinks we're missing a big bet for sales if we don't keep our clients abreast of this information. As proof of the pudding in his own experience, he cites six cases opened over a period of five years with initial sales of some \$620,000 and premiums of \$24,000.

By keeping his clients abreast of the price they were obliged to pay under stock purchase agreements, these initial sales were boosted to a total of \$5.3 million with premiums of \$218,000 at the end of 1954. During 1955, there was added to these six cases a total of \$1.2 million in new business and \$68,000 in new premiums. Does that impress you? I assure you it impressed his cabin-hoppers on the Kungsholm!

Even though we may be suffering a bit from mental indigestion let's hop to one more cabin before calling it quits. Don't be confused by Hal Covert's location back at the stern of the ship. There is absolutely no connection between this location and his standing on Mutual Benefit of New Jersey's production lists. He was their leader last year with individual policies for more than \$7 million. We may have a little trouble getting a seat because a lot of other folks want to know how he did it, too.

Hal's pitch is "custom-built financial plans for corporations, partnerships, and individuals which will minimize taxes and pension costs." That's right on his letterhead.

Essentially, he designs informal benefit plans integrated with estate plans primarily for the group he refers to as "management em-

ployes". He divides this group into classifications of equity owners, management employees, and second-line management.

The needs of these three groups vary, he says, but all require personalized planning to supplement the benefits received under basic compensation, group insurance, and qualified pension plans. This personalized planning includes stock purchase plans, deferred compensation plans, the use of stock warrants and options, major medical, and split-dollar plans.

If, as he says he did, you are having difficulty selling formal qualified benefit plans to your clients, it might pay to study this pattern of custom-built plans a little more closely.

This concludes the summary of how these capable room-hosts make sales in the business insurance market. May I add my personal bit of testimony that practically all of these ideas have worked for me at one time or another.

Business Insurance

Do you happen to be one of those who are not in the business insurance market but would like to be? The ideas just described provide you with plenty of ammunition, but how can you tell if you're really making progress in this lucrative market? Getting a few cases doesn't necessarily mean you're in. It may only mean you're picking up some business created by somebody else. Here's a thought that may be helpful.

You may not have been on a ship like the Kungsholm, but practically everybody's been out in a boat. You know that familiar experience, as you pull away from shore, of seeing people appear to grow smaller in size, of seeing large objects such as buildings appear to gradually shrink and then become indistinct, and of finally melding into a smudge which you call the horizon.

In the same way, you recall how as you approach land these same objects begin to get larger, then to take shape. As you get closer, you begin to distinguish between colors and objects, finally to recognize people and then the expressions on their faces. You know you are coming in, don't you?

This same thing is true in the business insurance market. If you find that the sight of active smokestacks in your community challenges you to do an increasingly effective prospecting job among the owners and executives; if your heart bleeds (and I don't mean facetiously) to discover ways and means to help these high-income-bracketed people solve their financial problems; if the solution to their problems are becoming increasingly clearer to you because of serious study on your part; and if you are becoming more and more effective in your presentation of these solutions; then, truly you are "coming in" to the business insurance market.



The Protecting Hand

The Protecting Hand is a dramatic new symbol of the role Woodmen Accident and Life Company plays in supporting the family circle. A 200-ton sculpture of *The Protecting Hand* graces our new home office building—emblematic of our trust and of the security the public can achieve through personal insurance with Woodmen Accident and Life.

Woodmen offers rewarding opportunities for men who seek success in personal insurance. For complete information, write L. J. Melby, agency vice president.

E. J. Faulkner, President

**Woodmen Accident
and Life Company**

Lincoln, Nebraska

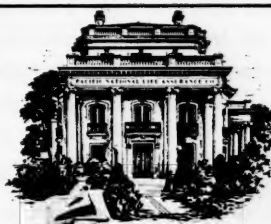


*The
Protecting
Hand*

A MUTUAL LEGAL RESERVE COMPANY • ESTABLISHED 1890



Chatting during a lull in convention proceedings are L. Mortimer Buckley, New England Life, Dallas, vice-chairman of GAMC, (left) and Frederic Peirce, recently-elected managing director of LIAMA.



ARE YOU ON THE OUTSIDE LOOKING IN?

This year, qualified agents of Pacific National Life are conventioning in Hawaii. Wouldn't you like to include such agency plans in your future? Open the door to a Pacific National Life general agent career for yourself. Look at any general agent in Pacific National Life territory. You'll see the advantages of a Pacific National Life career. Write to: Kenneth W. Cring, Vice-Pres. & Supt. of Agents. Get on the winning team now!

NON-CONTRIBUTORY RETIREMENT

COMPLETE PORTFOLIO OF POLICIES

TOP COMMISSION SCHEDULE

EXCELLENT SUB-STANDARD SERVICE

AFFILIATION WITH FAST-GROWING WESTERN COMPANY



PACIFIC NATIONAL LIFE
Assurance Co.

HOME OFFICE: 411 EAST SOUTH TEMPLE • SALT LAKE CITY, UTAH

Ray H. Peterson
President

Kenneth W. Cring
V.P. & Supt. of Agents

Service Beyond Duty Is What Counts with Russell Award Judges

Service to the institution of life insurance above and beyond the call of duty is a key point in judging nominees for the John Newton Russell memorial award, won this year by Griffin M. Lovelace, retired vice-president of New York Life.

In determining Russell award winners, a select committee made up of NALU leaders, past winners and representatives of various important life insurance organizations, gives careful consideration to sustained and meritorious service viewed in retrospect, as well as to specific actions during a single year.

The award may be given to a person in life insurance, or outside of it. In any event, it is felt that the person to whom the award is granted must have rendered service above and beyond the call of duty.

Mr. Lovelace is the 15th winner of the Russell award. Other winners include president emeritus Solomon S. Huebner of American college, 1942; Julian S. Myrick, Mutual of New York, New York City, 1943; the late J. Stanley Edwards, Aetna Life, Denver, a past president of NALU, 1944; Paul F. Clark, president of John Hancock and a past president of NALU, 1945; M. Albert Linton, chairman of Provident Mutual Life, 1946;

Holgar J. Johnson, president of Institute of Life Insurance and a past president of NALU, 1947; Frederick H. Ecker, honorary chairman of Metropolitan Life, 1948; the late John Marshall Holcombe Jr., managing director of LIAMA, 1949; O. Sam Cummings, manager Kansas City Life, Dallas, and a past president of NALU, 1950; Charles J. Zimmerman, president of Connecticut Mutual Life and a past president of NALU, 1951; Grant Taggart, California-Western States Life, Cowley, Wyo., a past president of NALU, 1952; C. Vivian Anderson, Provident Mutual, Cincinnati, a past president of NALU, 1953; Vincent B. Coffin, senior vice-president of Connecticut Mutual Life, 1954; and Charles E. Cleeton, general agent of Occidental of California at Los Angeles, a past president of NALU, and currently chairman of the NALU building committee, 1955.

The Russell award was established in 1942 by John Henry Russell of Los Angeles as a memorial to his father, a past president of NALU and an insurance leader.

Here for Ohio National Life

The home office of Ohio National Life is represented at the convention by F. A. Johnson, director of agencies; George R. Grace, director of group and pension sales; Luke A. Benton and Edward M. Svoboda, assistant directors of agencies.

New American Society Director a Member of Real Insurance Family

Paul A. Wallace, Northwestern Mutual, Seattle, one of the six new directors of the American Society of CLU elected at the meeting in Washington this week, is a member of a 100% insurance family. Each of his three brothers is in the insurance business—and each of his three sisters is married to an insurance man.

The way it all started was when Travis T. Wallace, the oldest boy, went to Kansas to work in the wheat fields after he graduated from high school at age 18. An agent sold him an A&S policy, and he thought it looked like a better way to make a living than farming.

Travis, who is now president of Great American Reserve in Dallas, got other members of the clan into the business one by one. When Paul was 17, he started as an agent in Austin Tex. For 17 years he was in Oklahoma, becoming district manager for Equitable Society in Tulsa in 1936. In the same year, he was elected president of Tulsa Life Underwriters Association.

Paul traveled for several years for Home Life of New York teaching its planned estates system of selling. He and his wife liked Seattle and wanted to move there. They moved in 1943 and Paul joined Northwestern Mutual in 1944. He was awarded his CLU designation in 1945, and became a member of the Million Dollar Round Table in 1955.

His son went to Harvard Law school, receiving his L.L.B. in 1954, and is practicing in Seattle.

The society's new director is a tennis player and plays three times a week regularly. He works entirely by appointment, and closes more than half his cases in his own office. Nothing to it, he declares, if you build yourself up on a professional basis. Recently, for instance, a physician whom he had never met, sent all his policies to Paul by mail for analysis.

A great believer in the potency of the printed word, Paul mails

between 15,000 and 20,000 first class letters in an average year.

He asserts that each year he has been in the business his income has shown an increase between \$2,000 and \$3,000, and that today 97% of his business is repeat or referred.

But to get back to the family: the next three children in the family were girls, Llene, Bonnie, and Dorothy. Their husbands are respectively: Ira Duncan, agent in Dallas for Great American Reserve; Pat Sanders, agent in Mt. Pleasant, Tex.; and Edward Hord, superintendent of agents for the company.

The babies of the family were boys: Gordon who is a branch manager for the company in Austin, and Glen, vice president in charge of agencies.

Urge Participation in Public Service Program

Louis I. Dublin, public health expert of Institute of Life Insurance, described ILI's public service award program to the Tuesday session of National council.

Much more prestige will be attained if agents act as groups rather than as individuals in local activities, he said. The new campaign urges agents' associations to cooperate with local officials, welfare and charitable organizations in worthy projects. The public health and welfare should benefit from the results, he added.

Although 35 associations have signed up to participate in local projects, the institute hopes 75 to 100 will join this first year, Dr. Dublin said. The associations' activity reports will be submitted by evaluated. Winners will be selected the end of the fiscal year and evaluated. Winners will be selected in three categories by size, small, medium and large, and their names will be announced at next year's NALU meeting. Plaques will be awarded to the winning associations at ceremonies in their own municipalities.

President Stanley C. Collins called for wide participation in the new program.

ULLICO LEADS THE WAY

If you are a capable and conscientious producer we have a message for you!

General Agency opportunities with The Union Labor Life Insurance Company are now available in many of our key industrial cities.

The many successful insurance salesmen now holding a ULLICO General Agency contract, are especially aided by our Company's knowledge of the trade union movement and our particular opportunities in the trade union insurance market.

Definite ULLICO leads are the means through which an ambitious, alert agent with a record of sound production and service can develop a career both satisfying and profitable.

We invite your inquiry.

Agency Manager



THE UNION LABOR LIFE INSURANCE COMPANY

200 EAST 70th STREET

NEW YORK 21, N. Y.

EDMUND P. TOBIN, PRESIDENT



American Society's newly elected officers are (from left) Eugene C. De Vol, general agent of National Life of Vermont in Philadelphia, 1st vice-president; William H. Andrews Jr., manager of Jefferson Standard in Greensboro, 2nd vice-president; Fitzhugh Traylor, manager of Equitable Society in Indianapolis, president; Robert L. Woods, general agent of Massachusetts Mutual in Los Angeles, secretary; and Frederick W. Floyd, manager of Life of Virginia in Philadelphia, treasurer. Their election by mail ballot was announced at the society's annual meeting, held in Washington at the same time NALU held its annual convention in that city.



GREETINGS TO THE N.A.L.U.

AT WASHINGTON

FROM THE

NEW YORK

GENERAL AGENTS & MANAGERS

SALINGER and WAYNE

General Agents

MUTUAL BENEFIT LIFE
INSURANCE COMPANY

41 East 42nd Street NEW YORK 17, N. Y.
Murray Hill 7-0200

ESTABLISHED 1892

M. L. Herrin & Son, Inc.

Par and Non Par
Life and Non-Can

75 Maiden Lane, New York 38, N.Y., HANover 2-4044
"A Friendly Office"

OTTO M. SHERMAN FRANK T. CROHN, C.L.U.

General Agents

CONSTITUTION AGENCY
THE UNITED STATES LIFE
INSURANCE CO.

119 West 57th Street Circle 6-2736
New York 19, N. Y.

JAMES A. RANNI ORGANIZATION

General Agent

MANHATTAN LIFE INSURANCE CO.

Bill Ranni Harry Cohen
Charlie McKeone Bill Mearns
521 5th Ave. New York 17, N. Y.
Murray Hill 7-8750

PHILIP F. HODES

General Agent

NATIONAL LIFE INSURANCE CO.
OF VERMONT

55 Liberty Street New York 5, N. Y.
Telephone
BARclay 7-3972

DONALD M. MUNN

Manager

HOME LIFE INSURANCE COMPANY

15 Park Row New York 38, N. Y.
Telephone
BARclay 7-6860

WILLIAM A. ARNOLD, II

General Agent

John Hancock
MUTUAL LIFE INSURANCE COMPANY

Complete Brokerage Service

161 William St. - New York 38, N. Y. - WO 4-2367

THE BRAGG AGENCY

JAMES ELTON BRAGG, C.L.U., General Agent

THE GUARDIAN LIFE INSURANCE
COMPANY OF AMERICA

50 UNION SQUARE NEW YORK 3, N. Y.
GRAMercy 3-3000

IRVING S. BOBER, C.L.U.

General Agent

NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

185 Montague St. BROOKLYN 1, N. Y.
TRIangle 5-9651

COUSINS & BIRNBAUM, INC.

Richard Cousins, C.L.U. Allen Birnbaum, C.L.U.
General Agents

MOUNT VERNON LIFE INSURANCE
COMPANY OF NEW YORK

(formerly Union Casualty & Life Ins. Co.)
62 William Street New York 5, N. Y.
WHitehall 3-0190

WILLIAM KRAUSS ASSOCIATES, LTD.

William Krauss, C.L.U., General Agent
Harold Goldberg, Associate General Agent
Sol Javors, Associate General Agent
MOUNT VERNON LIFE INSURANCE
COMPANY OF NEW YORK
(formerly Union Casualty & Life Ins. Co.)
233 Fulton Avenue. Hempstead, L. I., N. Y.
IVanhoe 1-7340

Edward L. Rosenbaum
General Agent

MUTUAL BENEFIT
LIFE INSURANCE COMPANY

100 William Street NEW YORK 38, N. Y.
DIgby 4-4780

MATT JAFFE ASSOCIATES, LTD.

General Agents

MOUNT VERNON LIFE INSURANCE
COMPANY OF NEW YORK
(formerly Union Casualty & Life Ins. Co.)

Brokerage Managers
Paul Fishman Benjamin Amdurer
Harry A. Erter Dan Jaffe Herman Feingold
431-5th Avenue New York 16, N. Y.
MURray Hill 4-5779

THE WEINGARTEN AGENCY

Lewis E. Weingarten, General Agent

MOUNT VERNON LIFE INSURANCE
COMPANY OF NEW YORK

(formerly Union Casualty & Life Ins. Co.)
26 Court Street Brooklyn 1, N. Y.
TRIangle 5-8450

JOS. D. BOOKSTAVEN AGENCY INC.

THE TRAVELERS INSURANCE CO.

Headquarters for 10-year Modified Life
Saul Rosenstein M. Goldstein
Manager Assoc. Manager
110 William St. - WO 2-5800

GILBERT V. AUSTIN, C.L.U.

General Agent

AETNA LIFE INSURANCE COMPANY
16 Court Street BROOKLYN 1, N. Y.

TRIangle 5-7560

CONGRATULATIONS

MICHAEL P. COYLE, C.L.U.

President

of the Life Underwriters Association of New York

HAROLD N. SLOANE, C.L.U.

Life Associates

General Agents

CONTINENTAL ASSURANCE

111 John St., N. Y. 38, N. Y. BEekman 3-4545

GLENN G. GEIGER, C.L.U.

General Agent

THE NEW ENGLAND MUTUAL LIFE
INSURANCE COMPANY

261 Madison Avenue New York 17, N. Y.
MURray Hill 2-8533

JOHN J. KELLAM, General Agent

NATIONAL LIFE INSURANCE COMPANY

420 Lexington Avenue New York 17, N. Y.
Direct Wire N.Y.C. to New Canaan, Conn.
Call CYpress 2-6676
New Canaan telephone - WOODward 6-2636

WHITE & WINSTON, INC.

General Agent

THE UNITED STATES LIFE INSURANCE COMPANY

271 Madison Avenue LEXington 2-8518 New York 16, N. Y.



OPPORTUNITY—For men now active, under age 45, as salaried regional supervisors, general agents, or state agents. Salary, commissions, expenses, incentive bonuses.

TERRITORY—Iowa, Kan., Minn., Mo., Neb., N. D., Okla., S. D.

States added in 1955-56: Ark., Colo., Ill., Ind., Ore., Utah, Wash.

If interested as a broker, general agent, or supervisor, write to Wylie Craig or Bennett Taylor, Vice Presidents.



NATIONAL FIDELITY
Life Insurance Company

W. RALPH JONES President

KANSAS CITY 6, MISSOURI

LIFE, ACCIDENT AND HEALTH, HOSPITALIZATION, GROUP



GOLDEN

Anniversary

JUBILEE

Just thought you would like to know...

- Members of the North American Family will celebrate a **GOLDEN ANNIVERSARY JUBILEE** . . . September 4-5-6, 1957, Edgewater Beach Hotel, Chicago. Our field members are qualifying in a special drive which began April 2, 1956 and will continue to July 5, 1957.

- Please write us if you are interested.

R. D. ROGERS, CLU — Director of Agencies

NORTH AMERICAN LIFE
Insurance Company OF CHICAGO

NORTH AMERICAN BUILDING

CHICAGO 3, ILLINOIS

Life Insurance • Complete line of Accident & Health Contracts



Group Limits Only Breed Self-Insured Plans

(CONTINUED FROM PAGE 3)

also because of our progressiveness and vision.

"I sincerely believe that everyone in our business is concerned about what's ahead of us not only in the immediate but also in the far-distant future—and anxious to see to it that the American and Canadian people obtain adequate life insurance on a scientifically sound and economical basis.

"I see no reason why the individual and group branches can't continue to grow together in an atmosphere of mutual understanding and respect. Both branches of our business have many different things to offer and I am sure that by mutual understanding we will, through our combined facilities, be able to satisfy the needs of the consumers of our two countries better than through any other mechanism."

Mr. McDonald marshaled an impressive array of facts and figures as proof of the futility of trying to set per-life limits on group coverage when corporations have, and already are making use of, the readily available alternative of self-insured or non-insured plans.

Benefits Existed for Years

While it is true, he said, that some self-insured mutual benefit plans are for relatively small amounts, "perhaps you don't know that there have been in existence for many years death and widows' benefits for very large amounts which are included as integral parts of non-insured pension plans.

"Lest you think I am generalizing from a relatively small group of such cases, let me tell you of just one survey made by the New York state banking department in 1955," he said. "The department surveyed 1,024 pension funds, with assets of almost \$5 billion, administered by banks and trust companies in New York state. The report showed that those plans which provided death benefits, when related to annual salary ranged from one-third of a year's compensation to three times annual salary.

"The survey further stated that 'three years pay as a death benefit is most prevalent.' A number of these plans have benefits ranging as high as \$100,000 and some are in excess of this amount."

After citing a number of cases in point, Mr. McDonald continued:

"You gentlemen oppose what is called 'jumbo' amounts of group life and have indicated that by your support of the 'model' bill carrying with it a maximum of \$40,000 (assuming the formula calls for 1½ times pay as a death benefit). The employment contracts of many of our most prominent companies provide for non-insured death benefits with amounts at risk which are simply astounding and way in excess of \$40,000.

"For example, under the agreement made with executives of a

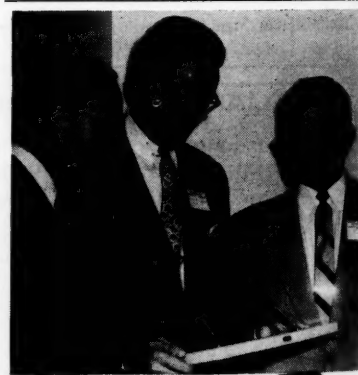
large automobile company (not the largest), the widow of one executive could receive as much as \$1,725,000. In a national department store chain the chief executive's widow could receive \$550,000. In a number of manufacturing companies the chief executive's widow could receive between \$150,000 and \$400,000. . . .

"Buttressed by estimates made by consulting actuaries, independent consultants, and banks, our own research makes it pretty clear that a modest estimate of the amount of non-insured death benefits in the United States alone is something around \$50 billion. That's almost half as much as the total group life in force. More important than its volume being equal to half the group life in force is the fact that a large ratio of this \$50 billion consists of high amounts of insurance on individual employees even for those earning modest salaries. I need not document that of the \$100 billion of group life in force, only a relatively unimportant portion consists of high amounts on individuals.

"Frankly, I don't know how employers can be prohibited from providing death benefits—and large amounts, too—under either employment contracts or non-insured pension trusts. Certainly, any group life restrictions imposed by the various states give employers a ready 'out' which, I am sorry to say, has already been used by a model bill or some other restriction kept the amount of group life insurance at some artificial level.

"Here is a clear example of what I mean. The Ohio state law limits group life term insurance to \$20,000. But an Ohio corporation just doesn't subscribe to that idea.

Let me read you from the recent



Lawrence W. Jackson is shown holding a desk pen set presented to him Sunday by GAMC on completion of his tenure as executive director. He has joined Metropolitan Life as administrator of courses in the field training division. At right is Judd C. Benson, Union Central, Cincinnati, chairman of GAMC, who made the presentation. At left is Donald A. Baker, who is resigning as managing editor of "The Insurance Salesman" to succeed Mr. Jackson.

annou
plan:
'Our
the pl
cause
state
the m
term i
ten
whose
Ohio i
reason
for an
than
some
'Eac
memb
total
annual
covera
\$20,00
term i
\$20,00
a deat
Oil Co
20
Tax
chasin
outmo
to des
000 or
1956 a
only r
tended
buying
ecutive
000 a y
the sa
\$50,00
What
buying
els, M
dience
"Do
these
of the
cannot
amount
ance t
one re
of the
to the
plan?"
Mr.
when
was p
G
54 P
1180

announcement of the Ohio Oil Co.'s plan:

"Our approach to a revision of the plan has been handicapped because of the insurance laws of the state of Ohio. Under these laws, the maximum amount of group term insurance which may be written on an employee of a company whose principal office is located in Ohio is limited to \$20,000. For that reason, any protection provided for an individual which is greater than \$20,000 must be covered in some other manner.

"Each active employee who is a member of the plan will have a total coverage equal to twice his annual earnings, with a maximum coverage of \$100,000. The first \$20,000 would be provided through term insurance. Any amount over \$20,000 would be provided through a death benefit paid by the Ohio Oil Co."

20/40 Limit is Outmoded

Tax boosts and the reduced purchasing power of the dollar have outmoded the 20/40 limit, hence to describe death benefits of \$100,000 or even \$200,000 or more in 1956 as "excessive" or "jumbo" is only relative, Mr. McDonald contended. Taking taxes and reduced buying power into account, an executive would have to be paid \$204,000 a year if he were to have today the same purchasing power that a \$50,000 salary gave him in 1939. "What has happened to executives' buying power at various salary levels, Mr. McDonald asked his audience:

"Don't you feel that some of these presidents, as well as many of the middle management group cannot afford to buy the full amount of level premium insurance they need and that may be one reason why a substantial share of the personal policies you sell to them are on the individual term plan?"

Mr. McDonald said that in 1953, when the head of a life company was preparing to seek enactment

of the 20/40 limit in his state, he tried to line up the support of some of the large employers in the state. Mr. McDonald quoted the following excerpts as representative of the attitude of the employers:

"The proposed limitation ignores the problems confronting industrial corporations."

"It is inconsistent with the concept of free enterprise."

"It discriminates against the men who make free enterprise tick. They are concerned over the possibility that further reduced purchasing power would make any arbitrary limits obsolete."

"These employers have considered paying salaries for one or two years, (without maximum amount) after death in lieu of group life and feel fully capable of assuming the risk. They feel that the life insurance industry has taken too narrow a viewpoint and has made a mistake in attempting to have limitations enacted into law."

Mr. McDonald also cited these views of some New York state corporations as recorded to Gov. Dewey before the \$20,000 maximum was removed in 1952:

"First, and more importantly, it seems to me that it is an improper subject for legislative consideration. The state might, with equal propriety, determine the color or number of suits of clothes or automobiles its citizens may own."

"Corporations which have trustee pension plans may conclude that a (group life) limitation forces them, actually, to become self-insurers."

"It used to be true that salary would furnish all the incentive needed to train and keep valuable employees. Now it is pensions, death benefits and stock options that count."

"A law that would fix the maximum of group life insurance would be inflexible to take into account the value of insurance as affected by economic factors over which neither the employer nor the em-



In the Chicago contingent at the convention were (from left) Robert R. Reno Jr., Equitable Society; Mrs. Kathryn Garrabrant, assistant secretary of the Chicago association; and Philip B. Hobbs, Equitable Society, past president of NALU. Joy Luidens, secretary-manager of the Chicago association, is snapping their picture.

ployee would have any measure of control."

"There is some question as to the constitutionality of fixing a statutory maximum on the amount of group life insurance that may be issued to any one employee."

Said Mr. McDonald: "I have tried to give you what I think is a factual background and a realistic view of how our present economy has led employers to regard group life insurance as a most important form of incentive to employees at all earnings levels."

"It seems appropriate at this point to discuss the four major grounds on which members, committees, and local chapters of the National Assn. of Life Underwriters have based their opposition to the so-called 'jumbo' group life plans."

"1. 'Excessive amounts of coverage violate the basic concept of group term life insurance as being a form of social insurance.'

"For purposes of discussion, let's assume that some 'basic concept' of a group life insurance maximum was true 10 or 20 or 40 years ago. We had a completely different set

of conditions. Nothing has been developed to indicate how the original 'basic concept' was determined for the future nor how clearly that 'basic concept' has been delineated. It is just as reasonable to presume that the 'basic concept' 10 or 20 or 40 years ago for a person's scale of living—or a way of life—should hold true today and into the future."

"The function of group life insurance must continue to develop and change as it has over the past several decades to keep pace with the changing world. Even the definite views that an insurance buyer may have in the matter of any given time give way to progress; and different needs create different demands."

"Would you have me endorse some rigid 'basic concept' whatever it might be for group insurance and then would you, if I asked you, adopt the same inflexible rules and ideas to individual insurance which would always apply without change?"

"Could you answer 'Yes' to these questions and justify the tremendous growth in individual term in-

(CONTINUED ON PAGE 44)

GREETINGS TO THE N.A.L.U. AT WASHINGTON

From the NEWARK GENERAL AGENTS AND MANAGERS

PAUL L. GUIBORD

General Agent

Paul L. Guibord and Associates
MUTUAL BENEFIT LIFE
INSURANCE COMPANY

54 Park Place

Newark 2, N. J.

OSBORNE BETHEA

Manager

OSBORNE BETHEA and ASSOCIATES
THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA

Suite 1115 National Newark Bldg.

Newark 2, N. J.

Market 3-8000

ROY GUNDERSDORFF

General Agent

EQUITABLE LIFE INSURANCE CO.
OF IOWA

Suite 1010 Commerce Court Bldg. Newark 2, N. J.
Telephone: Market 3-7697

BOWES AND JOSEPH

General Agents

NEW ENGLAND MUTUAL
LIFE INSURANCE COMPANY

1180 Raymond Commerce Bldg. Newark 2, N. J.
Market 4-6800

WOOD and CLUTHE

General Agents

STATE MUTUAL LIFE ASSURANCE
COMPANY

OF WORCESTER, MASSACHUSETTS

1180 Raymond Commerce Bldg. Newark 2, N. J.
John W. Wood, C.L.U. Herbert F. Cluthe
Market 4-3500

HENRY LEVINE, GENERAL AGENT

WASHINGTON NATIONAL
INSURANCE COMPANY

45 Commerce Street Newark 2, N. J.
Market 2-7146

Russell Sees Unlimited Potential for Women

(CONTINUED FROM PAGE 6)

business can be a delightful experience.

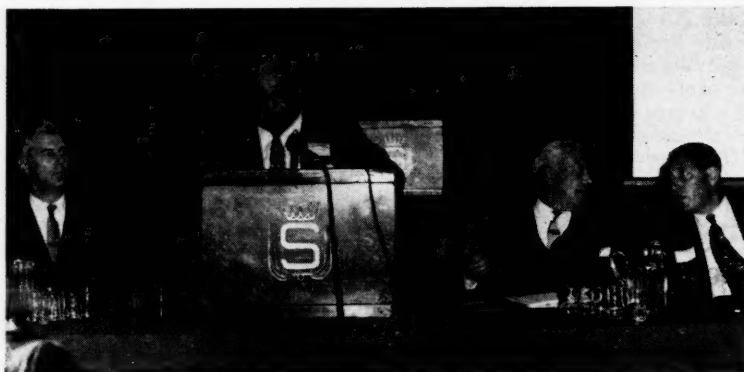
You not only learn a lot from the books but by mingling with other underwriters and sharing their experiences. The class at SMU in January was a highly successful week. From those who have gone to Purdue one hears the same report. Both parts I and II of LUTC are worth the time and money. Part II gives you enough knowledge of business insurance to put you in a position where you can step into one of the most exciting parts of the insurance business. Far too few of us have taken advantage of CLU. No doubt it takes a stout heart and a strong mind to obtain this designation but like all hard won things it is indeed worth it.

The instinct to recognize possible needs has made a million dollar producer out of many an agent who would otherwise be a half-million dollar producer. Among the women who have obtained this goal is Adele Levy who has a very keen instinct for seeing sales possibilities. For four years she has been a million dollar producer.

Grew up in Glasgow

The ability to make oneself do things one doesn't want to do is of utmost importance. There probably isn't a person present who doesn't have many things she enjoys doing besides selling life insurance. Only the one who works out a plan for the way the waking hours will be spent will be successful. Having a plan is important not only to keep one working but to keep one playing. Play is no fun if you have a feeling of guilt about it. If enough hours have been spent at work then it is time to play and it is very necessary to feel relaxed and enjoy the leisure time. There is so much tension in this business it seems necessary to take vacations more often during the year than many other business people do.

The art of closing is the thing that determines whether we get paid for our time or we don't. No one likes to work for nothing. It makes no difference how much you believe in your product, how well you know the answers, how many needs you have uncovered or how hard you have worked if you can't bring your client to sign that paper, hand you a check and keep that medical appointment.



At the start of the panel discussion of jumbo group at the agents' forum: From left, Eugene M. Thore, general counsel of Life Insurance Assn. of America, who acted as moderator; William Pryor, Connecticut Mutual Life, Wauwatosa, Wis., chairman of the agents committee, who presided at the forum; Edwin C. McDonald, vice-president of Metropolitan Life, and David B. Fluegelman, general agent of Connecticut Mutual at New York.

New President's Specialty Is Business Insurance

(CONTINUED FROM PAGE 5)

a Milwaukee store specializing in high-priced men's clothing back in 1929. Then came the depression.

"That wasn't good," he said. "The depression just dried up that high-priced business. I decided to go back to Kenosha. But our part-time bookkeeper knew a man who'd just been made general agent for Massachusetts Mutual Life.

"I hesitated but the bookkeeper went ahead and made an appointment for me unbeknownst to me. I still wanted to go to Kenosha but since she'd made the appointment I kept it. I joined Massachusetts Mutual then, and have been with them ever since!"

When he was growing up in

Glasgow he attended Abbotsford public school there, was graduated when 12 years old and promptly went to work in his aunt's cloak factory.

"That was the job that paid 60 cents a week," he says. "Doesn't sound like much now but then it was all right. This was a small factory in part of my aunt's home. Later the family moved upstairs and the factory took over the ground floor. No wit's listed on the London stock exchange.

"I stayed on that job three years and then came to New York. I landed a job making buttons at \$4 a week and within six months saved \$28—enough to bring my father over. Mother came later. After about eight months in New York, I went to Chicago and became a clothing cutter at Kuppenheimer and later at Hart Schaffner

& Marx.

"Then came World War I. Before we went to France a fellow came in one day and asked me as mess sergeant, 'How'd you like to make \$300 or \$400 a month?'

"Fine," I said, 'what do I do?' His proposition was that I paid the army purchase orders. 'Where you from?' I asked. He said Indianapolis. 'What firm?' He told me. 'Then you get out of here,' I told him, 'and don't you or anybody from your firm ever come back.'

Back with Hart, Schaffner & Marx in the halcyon days of post-war overtime pay and no income tax, Mr. Nussbaum quickly saved \$5,000. He persuaded Miss Bertie Cohen to become Mrs. Nussbaum and joined his three brothers-in-law who had a chain of 11 retail tailor stores. He went to the one in Kenosha and from there to the Milwaukee establishment from which he moved into the life insurance.

Although his formal schooling was limited, Mr. Nussbaum is rated one of the "idea men" of U. S. life insurance. He is a faculty adviser of the Purdue university institute of life insurance marketing. For years he has contributed articles to the professional periodicals of life insurance. He is a past president of both the Milwaukee and Wisconsin associations of life underwriters, and a leader in Milwaukee civic affairs.

A raconteur in dialects ranging from Scots burr to Alabama cotton patch, Mr. Nussbaum also plays the violin. He is not much of a "joiner" and recently dropped his country club membership.

"About all I belong to are the NALU and the American Legion," He says. "They symbolize two things to me—life insurance and the U. S. A. Both have been good to me."



The Wisconsin "cheese room" was a popular spot during the NALU meeting: Shown here are two of the hosts, E. C. Schroder, left, New York Life, Appleton, and Frank G. McNamara, Old Line Life, Waukesha.

Bessie S. Bennett, agent of Phoenix Mutual at Tulsa, flanked by the wives of two past presidents: Mrs. Robert C. Gilmore Jr., whose husband was recently named an officer of Mutual Benefit Life, and Mrs. David B. Fluegelman, whose husband is general agent for Connecticut Mutual at New York.

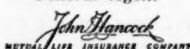


Greetings to the N. A. L. U. —

From the BOSTON GENERAL AGENTS AND MANAGERS

FRANK T. BOBST

General Agent



BROKERAGE DEPARTMENT

CLIFFORD D. STROUT

Associate General Agent

49 Federal Street HANCOCK 6-0022 Boston 10, Mass.

THE SUMMERS AGENCY

M. GREELY SUMMERS, JR., Gen. Agt.



50-60 Federal Street

Boston, Mass.

HUBBARD 2-0700

NEW ENGLAND LIFE

ROBERT B. PITCHER

General Agent



Pliny Jewell, Jr., Assoc. Gen. Agt.

Herbert Jaques, Jr., Brokerage Mgr.

Dana L. Sargent, Assistant Brokerage Mgr.

Capitol 7-8300

53 State St.

Boston, Mass.

Today Is Dedication Day for NALU Building

(CONTINUED FROM PAGE 3)

Karrick, commissioner of the District of Columbia. Mr. Karrick, both officially and personally, has a very cordial attitude toward the trend of national organizations shifting their headquarters to the national capital.

At the Thursday general session, greetings to NALU from President Eisenhower were read: He said in part:

"The beginning of construction of your new national headquarters building is a promising sign that you will still further broaden the service you are already providing for the economic security of all the American people. Thereby you will add greatly to an increasingly stronger and better America."

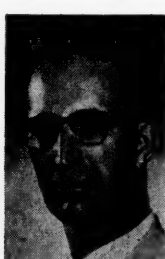
Earlier in his message, the President pointed out that the "widespread holding of life insurance is a measure and reflection of our national prosperity. It is also representative of our way of life, the foresight with which Americans plan for the future, the flexibility and grass-roots strength of our economy."

The life insurance business, the President continued, "is still based upon thousands of independent business men like yourselves, serving the neighborhoods and communities of the country in partnership with the major insurance companies."

In the absence of contests for any of the elective officer posts, the nominating committee's slate was elected routinely. A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, advanced from vice-president to president; Albert C. Adams, John Hancock, Philadel-



A. C. Adams



Oren O. Pritchard

phia, moved up from secretary to vice-president; Oren D. Pritchard, Union Central, Indianapolis, advanced from trustee to secretary, and J. Hicks Baldwin, New England Life, Washington, D. C. continues as treasurer.

Because Mr. Pritchard had another year to serve as trustee, there were seven trustee posts to fill. The nominee receiving the seventh highest number of votes received the one-year term, the others being elected for two years.

Out of the slate of 10 nominees, the following were elected for two year terms:

William S. Hendley Jr., Mutual of New York, Columbia, S. C.;

Howard V. Krick, Penn Mutual, New Haven.

William E. North, New York Life, Evanston, Ill.

Harry N. Phillips, Sun Life of Canada, Detroit.

Sam B. Starrett Jr., Guarantee Mutual, Omaha.

Jack White, Prudential, Los Angeles.

For a one-year term, filling out Mr. Pritchard's unexpired term:

Fisher E. Simmons Jr., Pan-American, New Orleans.

The controversial bank-loan section of the federal law and legislation committee report, which generated prolonged discussion at the national council session is still an issue, it appears, despite the action of the committee in rejecting efforts to modify the report's stand against bank-loan plan and the national council's decisive defeat of similar efforts.

An effort was made to get Gerard S. Brown, Penn Mutual, Chicago, chairman of the federal law and legislation committee, to agree to a modification of the report following the national council action but he refused. It is reliably reported that a strong effort will be made to get the new board of trustees to delete the anti-bank-loan part of the report when the board meets here in post-convention sessions.

Griffin M. Lovelace, for many years a vice-president of New York Life, was proclaimed as the 1956 winner of the John Newton Russell award at the Thursday morning session. M. R. Lovelace, who retired some years ago, lives at West Hartford, Conn.

The presentation was made by David B. Fluegelman, general agent of Connecticut Mutual Life at New York, a past president of NALU and currently chairman of its Russell award committee. The award is "for services above and beyond the normal course of duty."

Mr. Lovelace is acclaimed by the life insurance industry as one of its beloved "elder statesmen" and is regarded by many as the father of the concept of scientifically programming life insurance on the basis of the client's social and economic needs.

A Kentuckian by birth, and an alumnus of Vanderbilt university, Mr. Lovelace entered the insurance business with New York Life at Nashville. He rose through the ranks to inspector-in-charge of the company's European branches. From 1909 to 1919 he served as superintendent of agencies of Connecticut Mutual Life.

In 1919 he was asked to organize the country's first format life insurance school at Carnegie Institute of Technology. This school, subsequently transferred to New York university, made life insurance history and was the forerunner of contemporary departments

and curricula at many American universities.

In 1926 Mr. Lovelace rejoined New York Life as vice-president in charge of all training activities, to which duties were subsequently added supervision of advertising and sales promotion. He retired from active work in 1945, but is still contributing time and talent as an instructor of life insurance salesmen and a contributor to industry publications.

As an early teacher of insurance,



Griffin M. Lovelace

Mr. Lovelace travelled throughout the country to work with local life underwriter associations in setting up training courses for agents. His original theories and writings were cornerstones of practical and sound sales techniques, which today are used effectively to help people achieve a great measure of thrift and protection through the medium of life insurance and which have helped to professionalize life insurance selling.

The luncheon sponsored by the women agents had as its principal speaker Mrs. Norman Vincent Peale, wife of the famed clergyman, author and speaker, whose subject was "Foundation for a Better Tomorrow."

Another speaker was Gabriel Kajeckas, a Georgetown university freshman, winner of the "Voice of Democracy" contest.

Presiding at the luncheon was Thelma R. Davenport, Northwestern Mutual, Washington, D.C.

That afternoon there was a "workshop" session for association officers. There were also tours of the capital, courtesy of the District of Columbia Assn. of Life Underwriters.

Wednesday evening there was the traditional CLU dinner and conferment exercises, at which the guest speaker was President Harold C. Case of Boston university.

Thursday morning there were three breakfast sessions: The "Drop-In" breakfast of the women agents' committee; the Graduate Society of the Institutes of Insurance Marketing, and the Tex-

as Trained Seals, the latter comprising those who have appeared on Texas caravan sales congress programs.

The general convention session was conducted by A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, NALU vice-president.

Following the invocation by Rabbi Norman Gerstenfeld, Washington Hebrew Congregation, E. H. O'Connor, managing director of Insurance Economic Society of America, spoke on "What Price Social Security?"

Following this there was the announcement of the winner of the John Newton Russell award.

Closing event of the Thursday general session was the Million Dollar Round Table hour. Arthur F. Priebe, Penn Mutual, Rockford, Ill., chairman of the 1956 Round Table, presided and discussed various Round Table matters, including the rapidly increasing size of the organization.

Bringing "echoes" of the 1956 meeting were James B. Irvine Jr., National Life of Vermont, Chattanooga, MDRT program vice-chairman in charge of room-hopping, who discussed the highlights of the sessions dealing with business insurance; and R. Jay Wilcox, New England Life, New York City, who described his selling methods and work organizing procedures.

The only luncheon session was that of the NALU-LUTC. Presiding over this was Frank B. Maher, vice-president of John Hancock and chairman of the Life Underwriter Training Council. Following the introduction of distinguished guests, there was a response by one of them, Stanley C. Collins, of NALU.

Following the presentation of senior instructor awards, Herbert A. Hill, Life of Virginia, Richmond, introduced the guest speaker, Sen. Byrd of Virginia.

Thursday afternoon national council met again for action on the report of the nominating committee. There was also a meeting of the convention business sessions for action on reports of the committees on resolutions and the revision of by-laws.

That evening there were 44 receptions and dinners given by companies for agents attending the meeting and later that evening the president's ball took place.

The big feature of Friday morning was the new building ceremony at 22nd and C Streets, N.W., with Charles C. Cleeton, chairman of the building committee, in charge. Mr. Cleeton, general agent of Occidental of California at Los Angeles, is a past president of NALU and headed the location committee for its inception, becoming chairman of the present committee when the location job was completed.

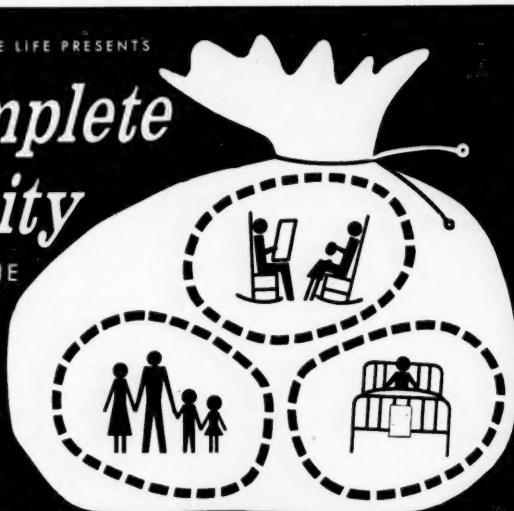
The convention will wind up officially with the fellowship luncheon but there will be meetings of the new board of trustees Friday afternoon and Saturday.

INDEPENDENCE LIFE PRESENTS

Complete Security

THREE-IN-ONE POLICY

The first complete policy including comprehensive sickness—accident—life insurance in one contract



Complete protection for any eventuality in the course of human affairs, provided in one single comprehensive policy!

Three-in-one policy

- **RETIREMENT INCOME**—pension for life at the age selected
- **FAMILY INCOME**—income for the family in the event of premature death
- **DISABILITY INCOME**—lifetime protection for disability caused by sickness or accident. A completely new approach.

Other specialty policies include:

MORTGAGE SECURITY PLAN TRIPLER PLAN
FAMILY GROUP SAVER PLAN

General Agency opportunities available in California.
For information, call or write Leslie P. Schultz, Vice-President.

Brokerage Business Invited



We are
proud
to pay
tribute
to...



ANNE FRIMKESS

THE RICHARD M. GROSTEN AGENCY
LOS ANGELES, THE MANHATTAN LIFE

In 1955, Mrs. Frimkess led all the Company's personal producers in ordinary volume, selling in excess of \$1,000,000 of regular life insurance plus a substantial volume of Group Life.

Our 2nd Century
THE MANHATTAN LIFE
INSURANCE COMPANY
of New York

Home Office: 120 West 57th Street, New York 19, N. Y.

Group Limits Only Breed Self-Insured Plans

(CONTINUED FROM PAGE 41)

insurance or the use, during the depression years, of individual term insurance for business purposes, or the rapid and great development of family income type policies and ordinary forms of coverage with term insurance riders?"

"2. 'Jumbo' coverages may invite adverse tax legislation affecting the owners of both group and ordinary insurance."

"Although I am not a lawyer, I recognize that any discussion of taxes is a two-way street. Lawyers have told me that the 1954 internal revenue code, until it is finally determined by regulations, interpretive rulings and court decisions over many future years, may produce more surprises than the opening of Pandora's Box!"

"Regardless of any future tax regulations—and they need not affect ordinary except perhaps pension trust plans—I don't think they will discourage or prevent employers from installing any of the types of non-insured death benefits that I previously illustrated. Furthermore, one of the outstanding underwriters in this country, now in this audience, tells me that his clients aren't concerned even if the employer's premium does become taxable income to the employee."

"3. 'Excessive group term coverage overshadows permanent insurance needs.'"

Sums up Controversy

"I think this third point sums up the whole controversy. Let's call a spade a spade. The National Assn. of Life Underwriters is saying here that when a big amount of group insurance is issued on an individual he no longer feels the need for, and strongly resists, individual forms of coverage in adequate amounts, and that the individual underwriters loses the market."

"In the first place, I think that life underwriters have exaggerated the number of such persons who have lapsed existing insurance or who have failed to purchase new insurance because of the availability of 'jumbo' group term coverage."

"Furthermore they are talking about the insignificant part of the whole picture. The large amounts of group are a small part of the whole and obviously do not affect the market for the average agent. The few who may be affected will be the handful of pension trust writers. Furthermore, your views may be properly regarded as stifling competition. If the group approach is sound and employers and employees want it, they will have it with or without the services of the insurance industry. We are treading on thin ice when we criticize a competitive mechanism or marketing device because it may narrow our market. People will not stand for it."

"Group term insurance has the same limitations that ordinary

term has and it has never been contended that it should replace permanent forms of protection. I have always advocated that employer-provided benefits of this type be properly presented to employees. Think of the tremendous advertising value inherent in statements by employers to workers in which they are urged to review and fill out their insurance needs on an individual basis. . . .

"4. 'Jumbo' coverages tend to undermine insurance's agency system."

Not 'Undermined'

"Figures show that the last word that could apply to the insurance industry and its great agency field force system is the word 'undermined.'"

"In the last 10 years, the industry's position and your position has improved as follows:

"The average ordinary policy purchased increased from \$2,300 to almost \$4,100."

"The total number of ordinary policies in force increased from 48 million to 80 million."

"Total ordinary insurance in force increased from \$101 billion to \$216 billion."

"These and other statistics certainly reflect the vigor and growth of the industry, but what about the agency system itself? If the tremendous expansion of group insurance in the last 10 years has served to undermine the agency system, how can we account for an increase in the number of full-time agents from the 152,000 high in 1947 to 229,000 in 1955? No, gentlemen, somehow or other I just don't think the word 'undermined' is appropriate."

"Point 4 is specific. It speaks directly of jumbo coverages and gives me a chance to review some of the points I made earlier in this



Symbol of Service

72%

of all agents contracted are still actively representing United Services and averaging \$880,000 of new paid business each, per year.

UNITED SERVICES
Life Insurance Company
1625 EYE STREET, N.W. WASHINGTON 6, D.C.

talk. O
group
relative
individu
\$20,000
a real i
It is in
mission
"Now
the coin
billion
this cou
pension
widows
pensati
death b
are no
non-con
benefit
industr
tant pe
\$50 bil
amount
without
sation o
tremen
death
wrecke
now, a
jumbo
estly an
portion
posed
lives, c

Co
"One
has be
saying
nies ha
sires a
NALU
group i
"Rea
some s
wonder
who is
have s
point?
in som
amount
aroused
on the
panies
"Now
some c
ing ad
body,
men,
ing to

Co
"One
has be
saying
nies ha
sires a
NALU
group i
"Rea
some s
wonder
who is
have s
point?
in som
amount
aroused
on the
panies
"Now
some c
ing ad
body,
men,
ing to

Co
"One
has be
saying
nies ha
sires a
NALU
group i
"Rea
some s
wonder
who is
have s
point?
in som
amount
aroused
on the
panies
"Now
some c
ing ad
body,
men,
ing to

Co
"One
has be
saying
nies ha
sires a
NALU
group i
"Rea
some s
wonder
who is
have s
point?
in som
amount
aroused
on the
panies
"Now
some c
ing ad
body,
men,
ing to

Co
"One
has be
saying
nies ha
sires a
NALU
group i
"Rea
some s
wonder
who is
have s
point?
in som
amount
aroused
on the
panies
"Now
some c
ing ad
body,
men,
ing to

Mr.
Nashv
tion p
friends
Mr. W
ident
Nashv

talk. Out of over \$100 billion of group insurance in force, only a relatively small amount consists of individual coverage in excess of \$20,000 on any one life. You have a real interest in group insurance. It is insured, tax-paying and commission-paying.

"Now, look at the other side of the coin. There is an estimated \$50 billion of death benefits in force in this country arising out of trustee pension plans with non-insured widows' benefits, non-insured compensation contracts, non-insured death benefit plans, and all of these are non-insured, non-tax paying, non-commission paying. They are benefits provided outside of our industry—but here is the important point. A high ratio of this \$50 billion is composed of high amounts on each individual life—without regard to level of compensation of the people covered. If this tremendous volume of non-insured death benefit coverage hasn't wrecked the agency system by now, and remember it is mainly jumbo coverage, how can you honestly and fairly say that the small portion of group insurance, composed of high amounts on single lives, can do so? . . .

Companies Ignore NALU

"One prominent life underwriter has been quoted in the press as saying that the insurance companies have chosen to ignore the desires and recommendations of the NALU with respect to modest group limits.

"Reading that statement and some similar ones prompts me to wonder if the BUYER isn't the one who is being ignored. Doesn't he have something to say on this point? I do know that the action in some states, in limiting the amount of group life insurance, has aroused a great deal of resentment on the part of executives of companies domiciled there. . . .

"Now if I understand correctly some of the thoughts that are being advanced by members of your body, we should say to business men, 'We are sorry, but we are going to take steps to prohibit, by

law, your obtaining the type of insurance you seem to want. Instead, if you want insurance, you must proceed some other way. You must pay death benefits "out-of-pocket" as they arise—and as your earnings permit. On the other hand, you can pay them from an additional liability reserve to be set up on your company's books or you can establish a non-insured pension trust including a provision for death benefits."

"I know you will say I'm prejudiced, but I just can't see how such action by the life insurance business can do anything but serious harm to our business as a whole. I can't believe that individually or collectively the long-range interests of NALU will best be served by "tariff walls". Whether we like it or not, this is how the public regards the artificial limits that have been placed on group term life insurance in some states.

"There is always the danger that we go overboard and get carried away by some development or special situation. A few years ago my colleagues and I were considerably impressed with the arguments for statutory limits on group life insurance, but experience and exposure to counter-arguments, many which I have referred to earlier, convinced us that we should change our views."

Reject Ripping Off Tax Shelter to Bar Jumbo Group Abuse

The suggestion that the writing of excessive amounts of group be curbed by getting Congress to remove the tax shelter from amounts in excess of \$4,000 or \$5,000 a year got considerable discussion at the meeting of the group committee during the NALU annual meeting but was rejected by the committee as holding too great a threat to the favorable tax position of all group insurance and perhaps even ordinary as well.

The suggestion was made by R. Edwin Wood, Phoenix Mutual, San Francisco. Mr. Wood said the big reason corporations want to buy huge amounts of group insurance for their executives is that premium is tax deductible to the employer and is not taxed to the employee. Hence it seemed to him more logical, instead of trying to get restrictions in the states, to attack the basic cause of jumbo group. He suggested removing the tax shelter from any group coverage over about \$4,000 or \$5,000 per life.

David B. Fluegelman, Connecticut Mutual, New York City, the committee chairman, questioned the wisdom of the approach suggested by Mr. Wood. He pointed out that once the federal government starts looking into the tax exemption enjoyed by jumbo group there is no telling where it may go.

Considerable concern was expressed about the spread of "dou-



Mrs. Wayne Dorman, Penn Mutual, Washington, is flanked by two Wilmington, Del., representatives to the convention, Carl W. Harvell, Metropolitan Life, (left) and Dewey Kemp, Acacia.

ble dollar" plans under which a bank insures a depositor's life for an amount equal to his balance. The news that a large downtown Chicago bank had recently adopted such a plan lent a note of alarm to the deliberations.

Mr. Fluegelman brought up the problem of the advertising done by certain trade associations that offer group insurance to their members. The advertising makes derogatory references to agents, such as saying "you will never be solicited because there is no commission allowance in this low premium," and telling members that "because of your higher mental capacity you don't need anyone at your elbow to twist your arm."

Carlyle Dunaway, NALU counsel, suggested that this is a public relations matter, on which NALU might well confer with the Institute of Life Insurance.

Sunday Magazine Has Feature on Schnabel

O. P. Schnabel, Jefferson Standard, San Antonio, is the subject of a short feature article in Sunday's edition of AMERICAN WEEKLY, a magazine-type supplement distributed countrywide to Sunday newspapers, including the WASHINGTON POST & TIMES HERALD.

The article points out that Mr. Schnabel is known as "Old Pushbroom" in San Antonio, where he inspired crusade to clean up the city and mechanize its street cleaners. But he will not say what the initials "O. P." stand for. An accompanying photo shows Mr. Schnabel cleaning up some litter and wearing a badge proclaiming that "O. P. Refuses to be a Litter Bug."

Mr. Schnabel is a trustee of NALU and program chairman for the convention.

HITS THE BULL'S-EYE IN
BUILDING A SUCCESSFUL AGENCY

- ① Career Compensation Plan
A 2-year plan—liberal to both agent and general agent.
- ② Production Incentive Agreement
A contract for prospective agent unexcelled by leading companies.
- ③ Training Allowance
A substantial amount paid to general agents for recruiting and training.

PLUS THESE ADVANTAGES — Success-proven training courses • Programming schools • Business and tax seminars • Lifetime service fees • Special College Senior Plan • Check-O-Matic and Premium Deposit Plans • Complete line, low cost Life, Accident, Sickness, Hospitalization, and Major Medical Policies.

WALTER H. HUEHL, President ARNOLD BERG, C. L. U., Agency Vice-President

INDIANAPOLIS LIFE

INSURANCE COMPANY

Mutual—Established 1905

INDIANAPOLIS 7, INDIANA

AGENCY OPPORTUNITIES in Fla. Ill. Ind. Iowa Mich. Minn. Mo. N.D. Ohio S.D. Texas Wis.



Mr. and Mrs. John Witherspoon, Nashville, are shown at a convention party where they greeted old friends. A past president of NALU, Mr. Witherspoon now is vice-president of Third National Bank of Nashville.

American College Had Record-Breaking Year in all Areas: Myrick

American college experienced a record breaking year in 1956 in every area of operation. Chairman Julian S. Myrick told the NALU convention during its American college hour Wednesday morning.

New candidates entering the program this year totaled 1,906, up 100% in the past five years. Candidates taking examinations totaled 4,176, up 15% this year. Total examinations taken were 5,278, up 16%. Persons enrolled in study groups totaled 5,670, up 12.

After a thorough reappraisal of the CLU study program and many months of working with qualified groups in education and life insurance, the college in April revised its curriculum, Mr. Myrick said. The purpose was to readjust the subject matter to fit today's conditions and equip CLUs to serve clients more competently. The 1957 CLU examinations will be based on this new program. Reactions of companies and people in the field have been enthusiastic, he said.

With the appointment of Thomas J. Luckas director of management training, the college has activated its management education department.

Since the first class was graduated in 1928, 6,416 persons have completed the entire series of examinations; 8,737 candidates are on the rolls with credit for one to four parts of the examinations; 23,316 candidates have been approved for registration with the college, and more than 50,000 have enrolled in all or part of the CLU study program.

Under the college's leadership, backed up by LUTC, the SMU and Purdue institutes and the improved training given by companies, the life insurance business is moving strongly and inevitably toward the professional concept of sales. Mr. Myrick said.

Public Relations

Dramatized for CLUs

(CONTINUED FROM PAGE 11)

Entitled "Your House of Relations," the talk suggested that there are five doors to success in personal relationships in the community. They were summarized this way:

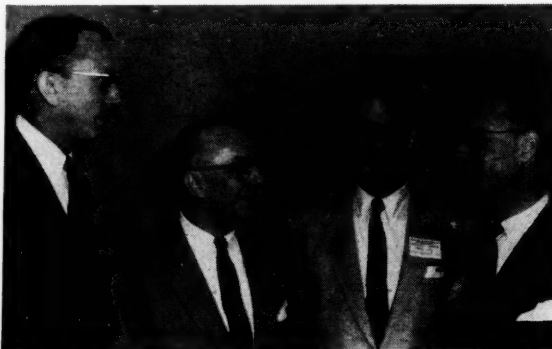
1. Public relations is an integral part of the way you live and work, and think—it is not something apart.

2. Public relations concerns most importantly people's emotional feelings and attitudes, not their reasoning faculty.

3. To build and maintain good public relations keep the lines open, keep in touch by every avenue.

4. To benefit through the news

Between sessions at the NALU meeting in Washington: L. S. Morrison, life insurance consultant at Hartford; Suzanne Audet, Prudential of Great Britain, Quebec; and E. R. Gettings, Northwestern Mutual Life, Albany, past president of the New York state association.



On hand for early convention sessions were (from left) Davis W. Gregg, president of American College; Herbert C. Graebner, dean of the college; Thomas Luck, director of management training of the college; and Charles K. Reid II, senior consultant of LIAMA.

columns, know the man who screens the news.

5. Cultivate assiduously the ability to talk on your feet before large groups.

"People's feelings are many times more influential in determining their actions than pure reason is," Mr. Shaw declared. "You must get people to like you.

"What people think of you, logically, is important. But don't forget the feelings and attitudes of people. In building an intelligent program of public relations, you have to remember that this matter of friendly feelings is powerful stuff."

Library at U. of Wash.

Honors Pioneering Agent

Frederic W. Ecker, president of Metropolitan Life, was the principal speaker at the presentation of the Charles C. Thompson Memorial Life Insurance Library at the University of Washington, Seattle. Presiding was Herman A. Malmberg, immediate past president of the Seattle CLU chapter.

The late Mr. Thompson, after whom the library is named, was a pioneer in life insurance in the west. For many years he served as Seattle manager for Metropolitan, retiring in 1945 to enter consulting work. He was instrumental in establishing several insurance organizations in the Pacific northwest. He died in 1955. The nucleus of the library is Mr. Thompson's personal collection, which was a gift from Mrs. Thompson. The collection will be housed in a special section of the business-administration library in commerce hall on the Washington U. campus.

Lawrence to Purdue Course Staff

John W. Lawrence Jr. of Chicago has been named assistant director of the Purdue university life insurance marketing institute. He will instruct and counsel younger students in addition to handling administrative assignments.

Women Agents Sponsor Luncheon at Convention

Life Insurance is one of the things which is being used to build the foundation for a better tomorrow. Mrs. Norman Vincent Peale, wife of the eminent New York clergyman, author and lecturer, told the Wednesday luncheon sponsored by the women agents committee at the NALU convention. The topic of her inspirational talk was "Foundation for a Better Tomorrow."

Gabriel Kajeckas, a student at Gonzaga college high school in Washington, D. C., read an essay entitled "The Eternal Engraving." He won this year's "Voice of Democracy" contest.

A letter from Mamie Eisenhower, declining with thanks an invitation to attend, was read. Hubert Holloway, a commentator on radio station WGMS in Washington, repeated a program he presented the previous day.

President Stanley C. Collins of NALU extended greetings. Mrs. Alice K. Leopold, assistant to the secretary of labor for women's affairs, was a guest. Orchids were presented to all the women with the compliments of Acacia.

Lester O. Schriver, managing director of NALU, offered the invocation. Thelma Davenport, Northwestern Mutual, Washington, chairman of the women agents committee, presided. Margaret Lewis, Jefferson Standard, Atlanta, introduced Mrs. Peale.

Refuse to Abolish Mid-Year Meeting; Take Other Action

The functions and activities committee's recommendations that the midyear meeting be abolished was discussed at some length by the National Council Thursday afternoon. There were quite a few objections from the floor and little favorable comment. The proposal failed by an overwhelming vote.

The delegate body voted unanimously in favor of the proposal to include in the new constitution the provision permitting the National Council to override the decision of the board of trustees under certain circumstances. The decision of the trustees would be subject to review by the National Council only if the minority of at least five members of the board of trustees chose to bring the matter before the National Council within 24 hours after the decision was arrived at.

The National Council could only act if at least two-thirds of those registered were present. Any motion to overrule would have to carry by at least a two-thirds majority of those voting.

The amendment was proposed by Harold W. Baird, Northwestern Mutual, New York City, chairman of the special committee on revision of by-laws. Mr. Baird also submitted a number of "non-controversial" provisions to be embodied in the proposed constitution. These were adopted unanimously without any discussion.

HCW LIFE POLICYHOLDER FUNDS ARE INVESTED	
(LIFE INSURANCE ASSETS PER POLICYHOLDER JANUARY 1)	
Securities of Business, Industry	
1946	\$150
1956	\$390
Mortgages and Real Estate	
1946	\$100
1956	\$310
Federal, State & Local Governments	
1946	\$310
1956	\$110
Total Life Insurance Assets	
1946	\$620
1956	\$880
Institute of Life Insurance	

Graebner Writes Magazine Article

Herbert C. Graebner, dean of American College, has written a feature article for *Town Journal* magazine which points out that only a properly trained agent working closely with the client can size up his true needs.

The article lists the family's basic needs which can be met through life insurance, and explains uses of term, ordinary, limited payment, family income, retirement and A&S policies. Establishing an insurance program involves listing present assets, such as life and A&S policies, social security, equity in a home and saving, which provide the foundation for a sound program, Mr. Graebner wrote.

Average Dro

In the average were d 12-mor 20 "st were c Angele

The portan which tual cor

Aetna 1 Amer. 2 Cal-Wes Columbi Conn. G Continer Franklin Gulf L Jefferson Kansas Life & Life of Lincoln Monume Nat'l Life Northwe Southlan Southwe Traveler U.S. Life Marke Morgan

1,144 Oper Instit

Life bered 1 81 in 1 Institute ported. in 15 ye competi institute has con gain in 1940, U creased and sou the grea Life co and wes times 18

Leadin nies in followin Worth 29, Chic Philadel company

By sta panies c Louisiana Carolina 36. Ten in 31 sta Of the are mutu larger, and 63! At mi had pass force an more th when th business, \$116 bill

Average Price of 20 Life Stocks Drop 8.5% in First 8 Months of '56

In the first eight months of 1956 the average price of 20 life insurance stocks were down 8.5% and off 13.2% for the 12-month period ending Aug. 31. The 20 "stock" life companies' averages were compiled by Morgan & Co., Los Angeles securities investment firm.

According to Morgan averages, the sell-off is all the more pronounced because it has happened in the face of continued industry-wide expansion of sales. LIAMA reported sales of \$29.3 million of new insurance for the first seven months of 1956, a gain of 9% over the same period in 1955 when sales were \$26.8. above the same period in 1954 when sales amounted to \$21.9 billion.

The 20 stock companies are an important segment of the life industry, which consists of both stock and mutual companies, with the latter account-

ing for about two-thirds of all sales. These 20 companies accounted for 26.9% of all new insurance written in 1955, having sold \$13.1 billion out of \$48.8 billion for the industry. These stock companies sold \$6.1 billion of group life, or 54% of all group sales in 1955. Ordinary life sales by these companies were 18.3% and industrial sales 20.8% of industry sales for 1955.

"With continued betterment in sales expected for the balance of 1956, increase yields derived from new investments resulting from tighter money, and better underwriting results from the continued downward trend in death rates, stock companies should report 'peak' revenues for the year," the Morgan firm stated. "The majority of life stocks are definitely over-sold and will provide the seeker of 'growth' stocks with some good opportunities for purchases at current prices."

	MORGAN AVERAGES—20 LIFE		INSURANCE COMPANY		STOCKS	
	Aug 31/56	Market	Worth-Million Dollars	Percent Gain or Loss	12 Mos	8 Mos
	Bid	Asked	8-31-55	12-31-55	to August 31, 1956	
Aetna Life	182	192	705.0	648.0	546.0	-22.6 %
Amer. National	12 1/4	13 1/4	314.0	364.0	367.5	-15.7 %
Cal-Western States	85	94	73.3	74.7	57.7	-21.3
Columbian Nat'l	87	94	25.8	24.3	21.8	-15.5
Conn. Gen'l Life	260	276	335.0	300.0	312.0	-10.3
Continental Assur.	136	145	248.3	222.3	217.6	-12.3
Franklin Life	83	87 1/2	213.3	249.8	215.9	-13.6
Gulf Life	31	33	72.0	68.0	62.0	-13.9
Jefferson Stand'd	126 1/2	134	240.0	240.0	253.0	5.4
Kansas City Life	1355	1410	68.4	60.2	54.2	-21.1
Life & Casualty	38 1/2	41	112.5	123.3	128.0	13.8
Life of Virginia	111	117	85.8	78.6	66.6	-22.4
Lincoln National	225	238	496.0	484.0	450.0	-9.3
Monumental Life	80	86	54.0	54.0	47.7	-11.7
Natl Life & Accid.	95	100	230.0	248.0	237.5	-3.3
Northwest'n Nat'l	80	85	20.7	20.9	17.6	-15.0
Southland Life	94	105	38.8	43.6	28.5	-28.4
Southwestern Life	96	107	94.0	97.5	72.0	-23.4
Travelers	71	74 1/2	1000.0	845.0	710.0	-29.0
U.S. Life	31	33	42.5	36.3	34.1	-29.4
Market Worth-Million Dollars			4490.2	4362.5	3599.7	-13.2 %
Morgan Averages			209.82	199.19	182.23	-8.5 %

1,144 Companies in Operation in U. S. Institute Finds

Life companies in the U. S. numbered 1,144 at midyear, an increase of 81 in 12 months and 700 since 1940, Institute of Life Insurance has reported. The growth of life companies in 15 years has added materially to the competitive nature of the business, the institute notes in its study. This also has contributed to the greatest rate of gain in insurance ownership. Since 1940, U.S. insurance in force has increased 240% and the young western and southern companies have shown the greatest rate of gain in these years. Life companies located in the south and west number 864, more than three times 1940.

Leading city in number of companies in Dallas, with 124 main offices, following by Houston with 70, Fort Worth 38, New Orleans 37, Phoenix 29, Chicago 25, Indianapolis 25, and Philadelphia 24. There are 10 or more company head offices in 28 cities.

By states Texas leads with 348 companies domiciled there, followed by Louisiana with 102, Alabama 48, South Carolina 39, Indiana 38, and Illinois 36. Ten or more companies are located in 31 states and District of Columbia.

Of the 1,144 companies, one-seventh are mutual, the rest stock. Most of the larger, older companies are mutual, and 63% of total in force is in mutuals.

At midyear 55 U.S. life companies had passed the \$1 billion mark of in force and 16 of the companies were more than 100 years old. Since 1940, when there were 444 companies in business, in force has increased from \$116 billion to \$393 billion.

Johnson Urges Step-Up in Spreading Story Of A&S at Community Level

A step-up in the spread of the story of A&S at the local level is an important step in meeting the public desire for adequate medical expense prepayment plans and in extending the goodwill of the business and its full appreciation by the public, Holgar J. Johnson, president of Institute of Life Insurance, told the Wisconsin Assn. of Accident & Health Underwriters sales congress at Milwaukee.

Mr. Johnson suggested that an immediate advance in public relationships for this business would be possible if A&S men, operating through their local associations, gave immediate consideration to this important part of the public relations job.

"Public relations is not publicity, showmanship or press-agentry," he said, "and 90% of the end product is in performance, what we do in public interest. But 10% is interpretation and it is vital that this interpretation be given as continuously, as broadly and as strenuously as possible, if the public is to know what it should about our business and appreciate the fine performance of our business."

"Be proud of your business and know enough of its services on an institutional basis, to be able to tell the public about it," he said. "This cannot be over-stressed as it is one of the important means of widening the understanding of health insurance on a sound basis. It is especially true of such publics as doctors and hospitals. These are busy people, but they are vital in a community appreciation and understanding of health insurance. It

is therefore important that health and accident insurance underwriters make certain they reach these publics with friendly, constructive fact-finding interviews. Each can help the other in the development of community health and the expansion of voluntary insurance."

He urged that the local health underwriters associations develop as much of a flow as possible news concerning their business at the local level. As a specific suggestion, he said that the business would gain materially if these local associations could assemble and make available to the press, monthly or yearly, reports on the number and amount of benefits paid locally.

Analyzes Total and Kinds of Payments by Life Insurers

About \$1.8 billion was paid to American families during 1955 under special clauses and standard provisions of their life insurance policies, in addition to basic death benefit and maturity payments, according to Institute of Life Insurance. Total benefits were \$3,394,300,000, which is up \$291,600,000, in the first seven months of this year over the like period last year. Life policy dividends were heading for \$1.2 billion record by the end of the year, and the total amount of endowment insurance in force is approaching the \$31 billion mark.

The institute reported that about \$39 million of the \$1.8 billion total under special clause and standard provision payments was in addition to benefits under double indemnity. About \$110 million was in disability payments under the waiver of premium clause and the disability income clause. Some \$720 million of income payments were made under supplementary agreements providing for distribution of policy proceeds as income. In addition to actual payments an estimated \$350 million of additional paid-up life insurance was put in force for policyholders during the year.

Life policy dividends, continuing at their present rate, will amount to \$140 million more than last year's, the institute predicted. In the past ten years, policy dividends increased 127%, compared with a 98% increase in premium payments.

The institute estimated there are about 33 million endowment policies in force which are maturing at the rate of 875,000 per year. The annual amount paid under matured endowments is well over \$600 million, 50% greater than 10 years ago.

Fringe Benefits Per Employee Now \$819. C. of C. Study Shows

A survey of 1,000 companies by U.S. Chamber of Commerce shows that fringe benefit costs—payments by employers for pensions, vacations, social security and the like—averaged \$819 per employee in 1955, an increase of \$99 since 1953.

Of the reporting companies, 124 had submitted data in each of five biennial surveys conducted by the chamber since 1947. Fringe benefit payments by this identical group of companies was \$981 per employee in 1955, or \$167 more than in 1953.

Broken down, the survey showed that the 1955 average of \$819 per employee included \$254 for agreed-upon programs of pensions and insurance, \$254 for vacations and holidays, \$145 for legally required programs, (social security, unemployment, workmen's compensation, and others), \$89 for rest periods, and \$77 for miscellaneous.

Of the companies surveyed 96% reported payments for employee insurance, with payments averaging 2.1% of payroll. Payments for pensions were reported by 75% of the firms, with payments averaging 5.1% of payroll. The fringe payments varied widely among the reporting companies, ranging from less than 5% to more than 50% of payroll. The average payment in 1955 was 20.3% of payroll of 39.2 cents per payroll hour. Highest payments were made by companies in the northeast, following by the western, east north central and southeastern regions.

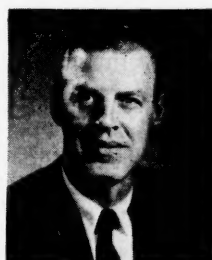
The survey estimated that the grand total in fringe payments for all employers amounted to \$36 billion. This compares with an estimate of \$1.5 billion paid by American employers for such programs in 1929.

Results of the chamber's study are available in book form, "Fringe Benefits 1955," from its economic research department in Washington, D.C.

N. Y. Legislative Booklet

The 1956 New York Legislative Annual has been published by New York Legislative Service. It contains all primary source material on New York state legislation, including messages and memoranda of Gov. Harriman and insurance department memoranda, as well as the comments on insurance legislation prepared by Adelbert G. Straub Jr., counsel of New York Life and former deputy insurance superintendent.

The annual also furnishes evidence of legislative intent on bills enacted during the 1956 session and gives indications of the problems and proposals to be considered at the 1957 session



Introducing...

A. M. "Murray" Brown, agency supervisor for Old Republic Life Insurance Company, who is in charge of developing our ordinary life program.

Old Republic
Life Insurance Company
Chicago 1, Illinois



Says Jumbo Hurts Agents and Public

(CONTINUED FROM PAGE 16)

gelman read: "From all this, it should be apparent that if \$20,000 was a correct maximum, certainly something on the order of \$40,000 would be necessary today to yield an income after tax, which is nearly double that of 1939."

"That statement is fine," said Mr. Fluegelman, "since it concedes that \$40,000 today is a more appropriate top limit than \$20,000 in 1939. The NALU fully agrees, and if the companies would agree that \$40,000 was a sound top limit, we would have no need for this forum."

"It is also stated in the letter that 'life underwriters who represent ordinary companies which are not engaged in the group business but who do write large pension trusts see fit to ignore the fact that many of these pension trusts are arranged for very large amounts of life insurance.'"

"It is true that pension trusts frequently provide for large amounts of life insurance, but there is no comparison with group insurance. The compensation accorded the individual policy contracts enables the underwriter to either give personally or set up an organization that is equipped to give service that the policyholder requires."

"We live in an economic world and it is impossible to expect an underwriter to give service on individual lives in a group case when he isn't properly compensated on that basis. He simply cannot afford to do so, no matter how laudable the necessity for service may be. Furthermore, the pension trust business operates on an entirely different tax basis. The portion representing life insurance cost is reportable for income tax purposes and there is no special tax advantage accorded the person who receives the large amounts of pension death benefits."

"In addition, it is necessary to give a full disclosure statement regarding the pension trust case, which is not necessary in the group case. Without this disclosure, the case will not qualify for a tax deduction, although the group case qualifies without similar requirements. There are a number of cases that would not be able to pass a test of submission of the fact so far as mutuality of treatment is concerned."

"There is a large corporation in upper New York state that has its group insurance set up under two plans. Plan one covers the average employee, has nominal limits and the insurance benefits end when employment ceases. Plan two, in the same corporation, underwritten by the same life insurance company, covers executives only. This plan has the higher limits to which we object, and furthermore, provides that even when the executive retires from the corporation, the insurance contin-

ues throughout his lifetime. He receives group coverage, even though he lives to age 96."

"Has anyone ever bothered to check the added costs of the plan to provide these extra benefits, or has anyone ever bothered to investigate the social consequences involved in giving these special benefits to the executives and ignoring them for the rank and file of employees?"

"Here is another case reported by a group supervisor of a large company: An agent told me just a few days ago of a case which he himself has written, and on less than 50 lives, where the maximum amount is \$125,000 and where he used 15 companies to secure the coverage. In this case, no one is losing a sale on the president, as he is 72 years old and uninsurable but he figures that buying insurance for all the other people is cheaper than he could buy it himself, especially as it is a deductible expense. The case will probably be cancelled when the owner dies. I imagine the issuing companies are very proud to have written that case."

Reads More of Letter

"Another portion of Mr. McDonald's letter states: 'There have been instances of organizations abandoning group life insurance to arrange self-insurance programs—in the main, to save premium taxes.' I have said for some time that life underwriters might very well address some of their attention to the question of whether it is good for the country and employees generally to have these self-insured pension benefits and, as well, sizeable death benefits on which no premium taxes are collected."

"This is the most ingenious reasoning I have ever observed. If I understand the argument correctly, the principal concern about self-insurance is the worry over the loss of premium taxes. Mr. McDonald is undoubtedly aware that one of the main reasons for writing large limits on group insurance is the fact that the benefits may be provided without payment of any income tax. I am not enough of an actuary to determine whether the loss of income tax would be made up by the payment of premium taxes, but I very much doubt that the figures are even comparable. It seems to me to be a dangerous argument to concern oneself with the loss of premium taxes and, at the same time, advocate plans that would lose for the government a sizeable amount of income taxes."

"It is well known that the treasury department may ultimately recognize this officially and take away the tax advantage not only from the executives with high limits, but from those workers who badly need the income tax savings

on the relatively small amounts allotted to them. I am not much impressed with the crocodile tears shed by the companies when they proclaim they do not really want to write high limits but are forced to do so, otherwise the plans would go self-insured."

"If they are really looking out for the public's interest as they maintain, they would let each case stand on its merits regardless of consequences. Maybe it is to the best interest of the client to have the plan on a self-insured basis. There is no reason to write something that is unsound merely because the client desires it."

"As an example, let us examine another department in our business. When an ordinary agent submits a case to the medical department, they do not write it if the man does not meet their standards, even though he states that if the life insurance company does not issue the policy he will have to self-insure."

Sound Principles Important

"The adherence to sound principles is more important than the writing of business as an expedient to gain volume. The real reason the companies want these cases is because they desire the business for themselves rather than to let the corporation self-insure, but they had best find a better reason than the mere fact that they want the business."

Mr. Fluegelman said that when the General Motors dealers group case became known, he wrote to Harlow Curtice, president of General Motors, indicating that since Mr. Curtice was purchasing insurance benefits for approximately 2,000 dealers, without commission being paid to any agent, he should be happy to sell his products on the same basis. (Mr. McDonald later refuted the statement that no commission was paid).

"I indicated that I represented an organization of 60,000 members and we would like to purchase our automobiles direct from General Motors without paying a dealer's commission," said Mr. Fluegelman, who then read the following excerpt from Mr. Curtice's reply.

"With the single exception of sales to governmental agencies, all sales of General Motors cars to fleet purchasers are made through the corporation's dealers and all purchase arrangements in connection therewith are negotiated directly with the dealers by such purchasers. In any event, there is no reason to assume that the establishment of a group insurance plan, on a desirable and practicable basis, for one group thereby justifies a fleet purchase arrangement for automobiles for an entirely different group of people."

Said Mr. Fluegelman: "If I understand his language he makes it clear that he does not intend to sell automobiles through any other medium than his dealers. And he further gratuitously offers the comment that the fact that he

was able to engineer a good deal with an insurance company does not justify his giving a similar deal to anyone else."

On behalf of the life underwriters of the United States, I indict the life insurance companies for permitting a situation like this to occur. It is with shame that we must admit our companies have not even as much regard for their agents as General Motors has for its dealers, and those are the very dealers whose problems did not seem to concern Mr. Curtice very much when he appeared on the witness stand before a Senate committee. It would seem that the companies ought to offer at the least as much protection to their agents as is afforded in other lines of industry, or else admit openly that they are abandoning the agency system."

Mr. Fluegelman quoted this passage from Mr. McDonald's letter:

"Why do life underwriters not get more aroused about the very large retirement incomes available under many of these bank-trusted non insured pension systems?"

"The answer is very simple," Mr. Fluegelman commented. "We are aroused and upset. However, the banks are our competitors and we have to expect competition from people engaged in a different business from ours. We do not expect to get the same or similar treatment from the companies we are presumed to represent."

Another passage from Mr. McDonald's letter read:

"Recognizing that the insurance is for a specific purpose of a temporary character, the insurance continues only while the owner remains active in the business. It was never intended to replace or be a substitute for individual insurance, but of course, I recognize that some persons who obtain group coverage do not apply for individual coverage they would otherwise have."

"My question is a simple one," said Mr. Fluegelman. "Has the individual client in each instance been properly advised as to the advantages and disadvantages of his group coverage against his permanent insurance, or has he been told that the new group contract gives him cheap protection, with nothing more than that?"

"Unfortunately, the average person covered under these contracts thinks his problem is solved when the coverage is obtained. By the time he recognizes that he has a problem, it is too late to do anything about it. 'What has happened to Dr. Huebner's fine concept of capitalization of the human life value? Certainly, a large amount of group insurance on an individual life does not solve the problem. The first sales talk I learned when I entered the business started like this, 'Some day you will either be a dead man or an old man.' What happens to the old man whose life insurance estate consists entirely of group coverage?"



"Man! I'm Glad I'm With Combined"

"Yes sir, every month when I get that commission check I can't help saying, 'Man! I'm glad I'm with Combined'.

"You see, Combined has actually made it easier for agents and agencies to *close more sales — make more money*, in the health and accident field. They broadened the benefits of their accident, sickness, and hospitalization policies, and added some terrific new ones besides. By any comparison, Combined's Royal Banner Hospitalization, Wholesale Group Package, and Universal Non-Cancellable Disability Plans, among others, are outstanding buys. The business that agents and agencies are doing with all of them is proof enough that Combined policies are in harmony with modern coverage requirements.

"So if you're an agent or an agency owner who's after more business, *that can bring you higher income for your effort*, send the coupon today for the story about Combined's Program. It will be a pleasure to have you

join the growing chorus of men from coast to coast, who are saying 'Man! I'm glad I'm with Combined'.

Combined Group of Companies, *W. Clement Stone*
President: Combined Insurance Company of America,
Chicago; Hearthstone Insurance Co. of Mass., Boston;
Combined American Insurance Co., Dallas; First National
Casualty Co., Fond du Lac, Wis.

MAIL THIS COUPON NOW—FOR THE COMBINED STORY

Combined Insurance Company of America
Dept. M 5316 Sheridan Road, Chicago 40, Ill.

Please rush me complete details about the
Combined program for agents and agencies.

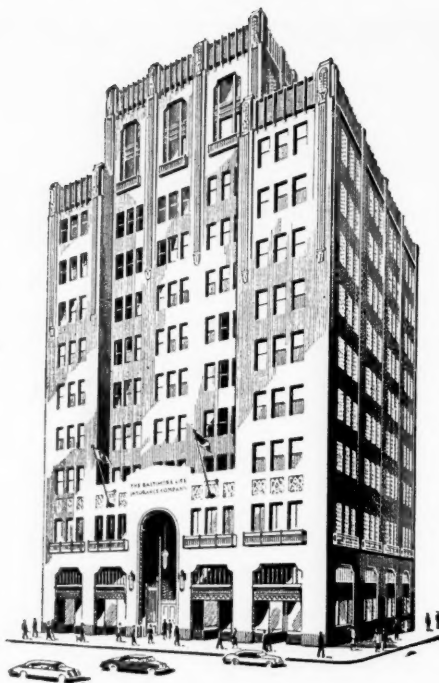
NAME _____

ADDRESS _____

CITY _____ STATE _____

HOME OFFICE...

BALTIMORE, MD.



*A cordial bow to America's
top-ranking Life Underwriters
from one of America's
most progressive mutual companies
soon to celebrate its 75th anniversary*



The Baltimore Life Insurance Co.

Guardian of Security Since 1882 • Baltimore 1, Maryland